

Special Report

March 20, 1961

RAILWAY AGE *weekly*

America the Obsolete?...

...inevitable
result of our present
depreciation policy

COMP
EDITORIAL DEPT
UNIV MICROFILMS INC
313 N FIRST ST
ANN ARBOR MICH



1960... a Year of Progress

The year 1960 was marked by solid achievements by the Norfolk and Western Railway. In the first full year of merger operations with the former Virginian Railway, the Company . . .

- Increased net income to \$61.1 million.
- Earned a record \$8.15 per share of common stock.
- Paid common stock dividend of \$5 a share.
- Reduced operating ratio to 59.7%.
- Made good progress on absorbing former Virginian.
- Announced plans to create new 7,400-mile N&W system serving Midwest and Great Lakes.
- Made plans for new \$19 million coal pier at Norfolk.
- Increased export shipments of coal and merchandise.
- Accelerated industrial development for second best year in company history.
- Began two-year study of industrial potential in on-line areas.

Condensed Income Statement

Income	1960	1959
From transportation:		
Coal and Coke	\$162,010,665	\$161,605,918
Merchandise	66,133,602	71,390,337
Passenger	2,528,254	2,558,833
Mail and Express	4,826,477	5,035,730
Miscellaneous Revenues	5,779,675	6,361,886
Total Railway Operating Revenues	241,278,673	246,952,704
Equipment and Joint Facility Rents — Net	15,888,693	18,092,802
Dividends, Interest and Other Income — Net	5,020,022	3,912,979
	262,187,388	268,958,485
Expenses		
Payrolls	82,976,351	84,302,248
Material, Supplies and Other Expenses	38,690,825	44,568,783
Depreciation on Transportation Property	22,445,423	22,118,816
Federal Income Taxes	27,184,000	28,549,054
Other Taxes	21,393,962	20,411,661
Interest on Indebtedness	8,364,080	8,265,970
	201,054,641	208,216,532
Net Income	61,132,747	60,741,953
Earnings per share of Common Stock	\$8.15	\$8.10

**NORFOLK
AND
WESTERN
RAILWAY**

GENERAL OFFICES • ROANOKE, VA.



Need track bolts or spikes in a hurry?

Bethlehem stocks a full range of sizes. Track bolts with oval necks, rolled threads, and heavy square nuts. Spikes with hook heads and sharp wedge points.

We also make track bolts to individual railroad specifications. And we make prompt shipment.

For quick delivery of all railroad fasteners, call our nearest sales office. Or write to us at Bethlehem, Pa.

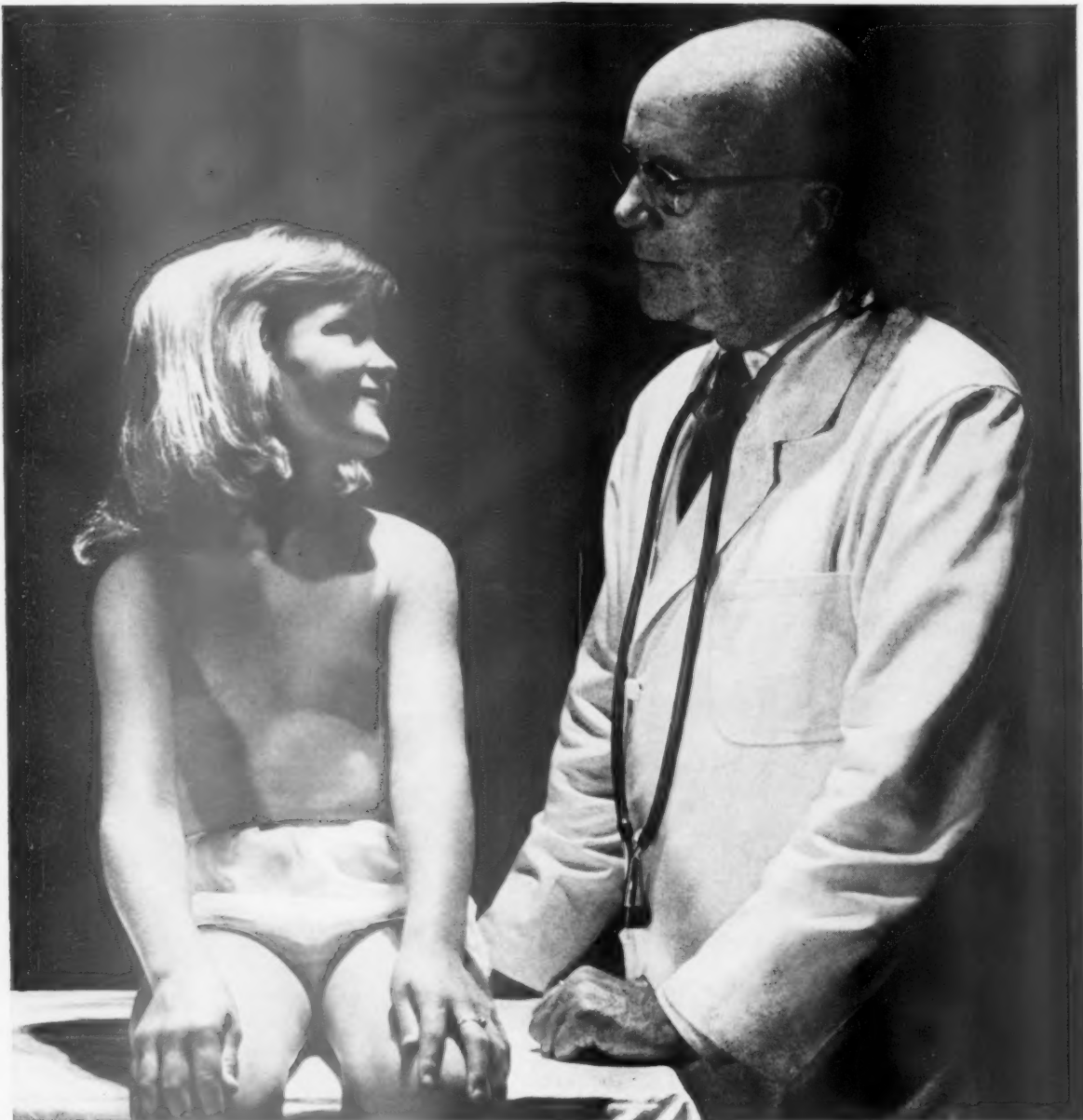
BETHLEHEM STEEL COMPANY, BETHLEHEM, PA.
Export Sales: Bethlehem Steel Export Corporation



For Strength
... Economy
... Versatility

BETHLEHEM STEEL





The most hope lies in the most hopeless

Today leukemia is a hopeless form of cancer. But by one of science's strange paradoxes, leukemia research may bring the first breakthrough in the control of all cancer!

There is an undercurrent of excitement in the nation's cancer research laboratories. Suddenly, a new word appears in the leukemia story. The word is *hope*.

New drugs are already in use, prolonging the lives of leukemia victims. Leukemia induced in laboratory animals has been cured.

Most important, there is growing evidence that leukemia—one of the foremost disease-killers of children

—may be caused by a virus.

Why is this so important? Because it presents hope for the discovery of a leukemia vaccine—which might someday be the breakthrough leading to the control of all cancers!

The American Cancer Society is now giving one out of every six of its research dollars to leukemia-related research.

Your gift to the American Cancer Society makes this support possible. Your gift helps keep alive that giant word—*hope*.

Fight cancer with a checkup—and a check to the

AMERICAN CANCER SOCIETY



Week at a Glance

Departments

Dividends Declared	51
Editors Afield	49
Freight Carloadings	47
Freight Operating Statistics	38
Letters from Readers	42
New Equipment	47
New Products Report	24
People in the News	50
Railroading After Hours	41
Railway Market	47
Supply Trade	51
The Action Page	54
Watching Washington	10
You Ought to Know	52

• Editorial and Executive Offices
New York 7, 30 Church St.

JAMES G. LYNE, Editor
ROBERT G. LEWIS, Publisher
JOE W. KIZZIA, Executive Editor
Managing Editor.....Fred C. Miles
News Editor.....Luther S. Miller
Traffic-Transportation...G. C. Hudson
Mechanical
C. L. Combes F. N. Houser, Jr.
Signaling & Communications
Robert W. McKnight Robert J. Barber
Associate Editors
Rod Craib Harry M. Grayson, Jr.
Librarian.....Edith C. Stone
Editorial Assistant.....June Meyer
Art Director.....Russell F. Rypson
Design and Layout.....Joel Petrower
Director of Research...J. W. Milliken
Production Manager...Joseph J. Menkes

• Chicago 3, 79 West Monroe St.
Western Editor.....Gus Welty
Regional News.....William V. Tuttle
Mechanical.....Norman E. Gillespie
Engineering.....M. H. Dick
R. E. Dove E. W. Hodgkins, Jr.
Purchases & Stores.....Berl Enos
Editorial Assistant.....Wanda Brown

• Washington 4, National Press Bldg.
Washington Editor.....Walter J. Taft

• The Hague, Netherlands
International Editor...Gordon Haffines



Railway Age, established in 1856, is indexed by the Business Periodicals Index the Engineering Index Service and the Public Affairs Information Service. Name registered in U.S. Patent Office and Trade Mark Office in Canada.

Published weekly by the Simmons-Boardman Publishing Corporation at 440 Boston Post Road, Orange, Conn. Second-class postage paid at the Post Office at Orange, Conn. James G. Lyne, chairman of the board; Arthur J. McGinnis, president and treasurer; Duane C. Salisbury, executive vice president; George Dusenbury, vice president and editorial and promotion director; Robert G. Lewis, Joe W. Kizzia, M. H. Dick, M. J. Figa, vice presidents.

AAR appeals for four freedomsp. 9

The association's "Magna Carta for Transportation," which is being unveiled this week, calls for freedom from discriminatory regulation, freedom from discriminatory taxation, freedom from subsidized competition, and freedom to diversify.

Europe's roads use no firemenp.10

The head of the Netherlands Railways told the Presidential Railroad Commission in Washington last week that "make-work" rules are virtually unheard of on European railroads.

Aluminum gondola carries bigger payloadp.12

The Harvey Aluminum prototype covered-gondola car passed its first 10,000-mile check-up with an excellent record. The 85-ft unit, designed to protect long-length materials, carries eight tons more payload than a standard car.

Frisco tests containers for mail-expressp.13

The experiment is being run between St. Louis and Oklahoma City. From it the road expects to get a good idea of just how much time and money containerization can save. Similar experiments may be tried later on containerized handling of LCL and household goods.

Special Report

AMERICA THE OBSOLETE?

How America can fall behindp.16

Antiquated depreciation policies have frozen obsolescence and inefficiency into the American industrial system. While the rest of the world leaps ahead, U. S. industry grows more obsolete every year.

The Action Page—Unplanned obsolescencep.54

Outmoded depreciation laws constitute a drag on all industry—but for railroads, the problem is compounded by federal policies weighted heavily in favor of their competitors.

Reprints of this special report are available in quantities up to 500 for 35 cents each. Bulk prices on request.

Out of 44 years of field experience comes . . .



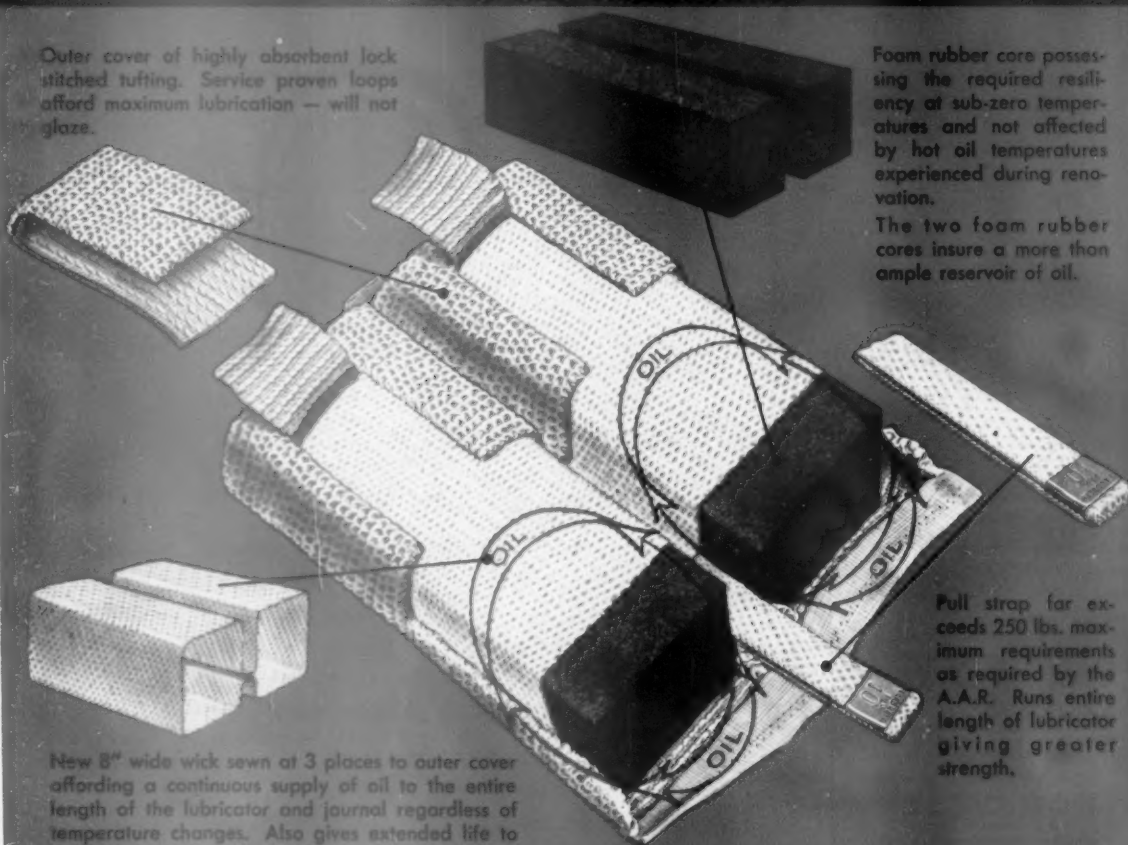
a new improved design

From Spring Packing Corp. comes a new improved lubrication pad . . . the LANDRETH-PAK. A new lower cost lubrication pad that insures a continuous supply of oil to the entire length of the lubricator and journal regardless of temperature changes. The

LANDRETH-PAK is another new product developed by the Spring Packing Corp., leader in the lubrication field for over 44 years. Years of research and field experience make Spring Packing products number one in quality and performance.

Check all of these valuable features:

Outer cover of highly absorbent lock stitched tufting. Service proven loops afford maximum lubrication — will not glaze.



Foam rubber core possessing the required resiliency at sub-zero temperatures and not affected by hot oil temperatures experienced during renovation.

The two foam rubber cores insure a more than ample reservoir of oil.

New 8" wide wick sewn at 3 places to outer cover affording a continuous supply of oil to the entire length of the lubricator and journal regardless of temperature changes. Also gives extended life to the lubricator due to its cushioning effect. Laboratory and road tests have proved that the 8" peripheral wicking action guarantees 100% oil feed.

Pull strap far exceeds 250 lbs. maximum requirements as required by the A.A.R. Runs entire length of lubricator giving greater strength.

Test approved by A.A.R. for interchange.

SPRING PACKING CORPORATION • John T. Landreth, President • 332 S. Michigan Ave. • Chicago 4, Ill. • WE 9-0670

Week at a Glance CONT.

Current Statistics

Operating revenues	
12 mos., 1960	\$9,514,294,066
12 mos., 1959	9,825,050,206
Operating expenses	
12 mos., 1960	7,565,318,548
12 mos., 1959	7,704,815,319
Taxes	
12 mos., 1960	998,799,249
12 mos., 1959	1,047,537,411
Net railway operating income	
12 mos., 1960	584,033,571
12 mos., 1959	747,773,934
Net income estimated	
12 mos., 1960	445,000,000
12 mos., 1959	578,000,000
Carloadings revenue freight	
9 wks., 1961	4,377,769
9 wks., 1960	5,236,307
Freight cars on order	
Feb. 1, 1961	18,894
Feb. 1, 1960	48,170
Freight cars delivered	
1 mo., 1961	3,515
1 mo., 1960	2,849

Advertising Sales Department

Duane C. Salisbury—director of sales
New York 7, N. Y., 30 Church St.,
 WOrm 4-3060
 J. S. Vreeland—vice president;
 F. T. Baker—district manager;
 J. C. Lyddy—district manager
Chicago 3, Ill., 79 W. Monroe St.,
 RAndolph 6-0794
 J. R. Thompson—vice president;
 J. W. Crosslett—district manager;
 Hale Carey
Cleveland 15, Ohio, 1501 Euclid Ave.,
 MAin 1-4455
 H. H. Melville—vice president;
 Daniel A. Denno
Pittsburgh 19, Pa., Suite 203, Carlton House
 GRant 1-8186
 C. J. Fisher—district manager
Atlanta 9, Ga., 22 Eighth St., N. E.,
 TRinity 2-6720—J. S. Crane
Dallas 19, Tex., 3915 Lemmon Ave.,
 LAkeside 1-2322—Joseph Sanders
Los Angeles 17, Cal., 1151 W. 6th St.,
 HUntley 2-4000
 Fred Klarer, Jr.
San Francisco 11, Cal., 916 Kearney St.,
 GARfield 1-7004
 Lewis A. Vogler
Portland 5, Ore., Terminal Sales Bldg.,
 CApitol 7-4993
 Peter W. Klarer
London S. W. 1, England
 TRafalgar 6318
 67/68 Jermyn St., St. James's
 Max F. Holsinger
Dusseldorf, Germany
 Hohenstrasse 17, am
 Ernst-Reuter-Platz
 Max F. Holsinger
Tokyo, Japan
 1, Kotahira-Cho, Shiba, Minato-Ku
 George E. Olcott

Railroad employees' subscription rate: in U. S. possessions, Canada and Mexico, \$4 one year, \$6 two years, payable in advance and postage paid. To railroad employees elsewhere in the western hemisphere, \$10 a year. In other countries, \$15 a year. Single copies 60¢ except special issues. Address all subscriptions, changes of address, and correspondence concerning them to: Subscription Dept., Railway Age, Emmett St., Bristol, Conn.
 Change of address should reach us three weeks in advance of next issue date. Send old address with new, enclosing, if possible, your address label. Post Office will not forward copies unless you provide extra postage.
 Circulation Dept.: W. A. Cubbage, Circulation Manager, 30 Church St., New York 7, N. Y.
 POSTMASTER—SEND FORM 3579 TO EMMETT ST., BRISTOL, CONN.
 Printed at the Wilson H. Lee Co., Orange, Conn.

TOFC no panacea, says truckerp.30

Consolidated Freightways, the nation's biggest motor carrier, seems to have lost some of its pro-piggyback spark. CF's president, ex-railroader William G. White, chides those who view TOFC as a cure-all for sick railroads or sick motor carriers. Here's why he thinks that way.

Teamsters step up attack on railroadsp.48

The union's efforts to halt the flow of new-auto traffic to the rails has resulted in a flood of letters to Congress. Meanwhile, at least two state legislatures are considering placing special taxes on piggyback operations; others may follow.

Short and Significant

Class I railroad employment . . .

declined to 708,778 in mid-February—a drop of 9.75% from February 1960. All employee groups were down, the decreases ranging from 13.74% among maintenance of equipment and stores employees to 2.63% among executives, officers and staff assistants. The February total was 0.31% below January's.

Competitive counterattack by new-auto truckers . . .

has been launched in the Minnesota legislature. The objective: a 10-ft increase (to 60 ft) in the overall length of truck-trailer combinations used for hauling automobiles. The state senate highways committee reported the bill favorably last week.

AAR statistics show 138,607 hot boxes . . .

in 1960. Pad-equipped cars (56.2% of all cars on June 30, 1960) accounted for 25,467 hot boxes; waste and others accounted for 113,230. Miles per hot box car set-off between division terminals was 225,975 in 1960, 202,390 in 1959, 200,417 in 1958, 182,435 in 1957 and 209,479 in 1956.

C&NW and Milwaukee directors . . .

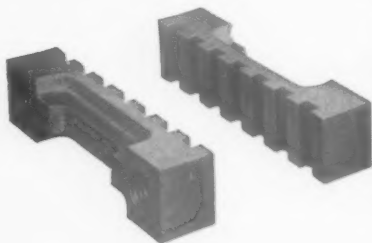
failed to reach agreement last week on treatment of securities in the proposed unification of the two roads. Milwaukee directors, while approving an exchange ratio of one for one of Milwaukee common and 1.25 shares for each share of C&NW common, had insisted that the "preferred stock of each company be handled so as to reflect the superiority of Milwaukee road preferred," and conditioned the exchange ratio on a "satisfactory solution" of the problem. No further discussions were immediately scheduled.

STABILIZED JOURNALS—

Now MAGNUS offers you three low-cost ways to get

BETTER BEARING PERFORMANCE

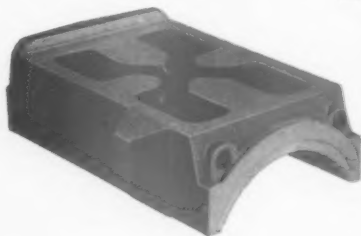
1. MAGNUS R-S JOURNAL STOPS



Provide maximum stabilization of entire journal box assembly—increases miles per hot box ten times

Bolted to the inside of the box, on both sides of the journal, Magnus R-S Journal Stops positively prevent excessive displacement of bearing, wedge or lubricator pad, even under severe humping, braking or road impacts. By stabilizing the entire journal bearing assembly they eliminate the major causes of bearing failures—*increase miles per hot box ten times; miles per cut journal, fifteen times!* In short, they cut maintenance and operating costs all along the line—double bearing and dust guard life, reduce wheel flange wear, extend the maximum safe period between repacks.

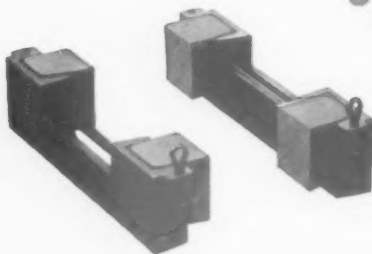
2. MAGNUS FLAT-BACK SOLID BEARINGS



Wider, non-tilting design limits bearing displacement—provides effective stabilization at lower cost

The Magnus flat-back bearing design provides the most economical means of stabilizing the journal box assembly, and has proved highly effective for many types of service. Its greater width, increased angle of journal contact and full-area contact with the flat wedge inherently limit the fore-and-aft movement of the journal within the box under road shocks and switching impacts. This restriction of movement protects the dust-guard, reduces loss of oil through enlarged dust-guard openings and tends to prevent spread linings in the bearing.

3. MAGSTOPS



Offer the inherent advantages of R-S Journal Stops in a low-cost, rugged, fabricated design

Here's a new approach to the problem of journal box stabilization—a low-cost fabricated journal stop with forged steel frames and renewable bronze inserts that hold the journal in the center of the box even under the most severe car impacts. The frames are welded to the inside of the journal box and need never again be removed. Wear occurs only on the brass inserts, which are easily and inexpensively replaced during wheel changes, without any special tools.

The next big step toward better bearing performance will be the adoption of effective means of stabilizing the journal assembly—for this is the most economical way to reduce hot boxes. Magnus, the pioneer in journal stabilization, now offers you *three ways* to achieve this result at low cost. All have been approved by the AAR for test installations in interchange service. Ask your Magnus representative to discuss with you the most effective solution to this problem. Or write to Magnus Metal Corporation, 111 Broadway, New York 4, or 80 E. Jackson Blvd., Chicago.

MAGNUS METAL CORPORATION

Subsidiary of
NATIONAL LEAD COMPANY



Eight Danger Signals

Railroad freight carloadings in 1960 were 30.4 million cars, compared with 41.3 million in 1946 and 52.8 million in 1929. By contrast, truck loadings in 1960 were $3\frac{1}{2}$ times the 1946 level. And water carrier traffic had nearly doubled.

Shares of total intercity freight and passenger traffic also have changed since 1946. In freight hauling, railroads dropped from 67% of the total load in 1946 to 44% in 1960. Trucks' share jumped from 9 to 22%—and water carriers', from 3 to 9%. The railroads' passenger share, 66% in 1946, is estimated at 28% in 1960. In contrast, the airline share spurted from 6 to an estimated 44%.

The nation's freight car fleet in 1960 was 1,660,000 cars, down nearly 85,000 under 1946 and more than 600,000 under the 1929 total.

Railroad passenger-carrying cars in 1960 numbered some 16,200, compared with 30,000 in 1946 and 41,000 in 1929. Airlines, on the other hand, had some 1,600 passenger-carrying planes in 1959, contrasted with 674 lower-capacity planes in 1946. Similarly, registrations of private automobiles in 1960 were an estimated 61,317,000—more than double the 1946 total and nearly three times the 22,973,000 of 1930.

Miles of railroad operated in 1960 totaled 220,000—down from 228,000 in 1946 and 242,000 in 1930 (the all-time high). By comparison, the length of primary highways rose from 325,000 miles in 1930 to 443,000 in 1959 (disregarding capacity boosts as a result of widening).

Average number of employees of Class I railroads in 1960 was 780,000, down 43% from 1946 and less than half the 1929 average of 1,687,000.

Railroad operating revenues in 1960 were \$9.5 billion, down 3% from 1959 and lower than in 9 of the 15 postwar years. By contrast, 1960 revenues of regulated truckers stood at an estimated \$7.5 billion—some 4% over 1959 and 310% over 1946. Water carrier revenues went up 313% in this period.

Net income for railroads in 1960 was an estimated \$445 million, down some \$133 million from 1959 and the lowest since 1949. Rail net income in 1929, by comparison, was \$897 million—and was produced by a plant investment of \$10 billion less. On the basis of profit rates, railroads in 1959 ranked at the bottom of the list of some 70 major industrial groups. Out of 106 Class I railroads, 27 operated in the red last year.

AAR Appeals for Four Freedoms

The Board of Directors of the Association of American Railroads has called upon Congress and President Kennedy's Administration for action to head off a "major crisis" in the railroad industry.

The call was embodied in a declaration—"Magna Carta for Transportation"—which was adopted by the board at its February meeting and made public this week. While the "Magna Carta's" appeal is in general terms—a plea for "four freedoms"—its implementation contemplates enactment of priority items on the industry's legislative program.

The four freedoms called for are these: freedom from discriminatory regulation; freedom from discriminatory taxation; freedom from subsidized competition; and freedom to provide a diversified transportation service.

Declaring that the industry "is in jeopardy to the detriment of the national interest," the AAR board's statement also said:

"A major cause of this condition lies in unequal government treatment compared with other forms of transportation. As a result, thousands of jobs in the railroad and related industries have been lost and more thousands are in

jeopardy. The public has been denied the kind of fast, low-cost transportation a dynamic economy demands, and the nation's defense capability has been weakened to an alarming degree.

"The national interest cries for an end to such distressful conditions. These are matters of legislative determination and can be corrected only by legislative action. . . . Railroaders seek no favor or special privileges. They seek only equality of treatment for all forms of transportation—the traditional American concept of fair play."

In making the declaration public, *(Continued on page 45)*

Europe's Roads Use No Firemen

The head of the Netherlands Railways, J. P. Koster, last week told the Presidential Railroad Commission that work rules requiring unnecessary personnel are virtually unheard of on European railroads. Additional information about European operating practices was supplied by AAR Vice President C. D. Buford, who made an on-the-scene study there last summer.

Mr. Koster said that unions in Holland "do not press management to take on more personnel or to retain positions made unnecessary by technological progress—but only try to improve working conditions for staff in active service." The Netherlands executive was one of U.S. railroad management's witnesses on the diesel-fireman issue. U.S. roads want to eliminate firemen from yard and freight diesels.

When the conversion from steam to electric and diesel operations came in Holland, the railroads there managed to eliminate the fireman's position smoothly and without personal hardship, Mr. Koster said. He explained

that this was done by normal retirements, persons leaving the service, and by stopping the recruiting of new employees. In earlier sessions of the public hearings, representatives of U.S. railroads stressed management's willingness to discuss similar arrangements with labor unions.

Mr. Koster noted that both freight and passenger trains in the Netherlands operate with only an engineer in the locomotive cab, and that not even a conductor or trainman is used on freight trains of less than 16 cars.

AAR vice president Buford said that no European country requires three men in the locomotive cab—as in the U.S.—even though trains are operated "under at least equal or in some cases more severe conditions" than here. The AAR vice president also said the "predominant practice" throughout Europe is to use only one man on non-steam locomotives.

Another management witness was Joseph L. Sorensen, division superintendent of general services in the Gary,

Ind., plant of the United States Steel Corp. His experience there, and at the Fairless, Pa., plant, both of which operate plant diesels without firemen, led him to these conclusions: "There is absolutely no reason, from the standpoint of safety or efficiency, for placing a second man in the cab of the locomotive. There is no reason why the railroad industry cannot successfully and safely operate its yard locomotives without a fireman."

Further hearings are scheduled for this week, when management will offer more evidence on the fireman issue. Also in Washington this week, the Brotherhood of Locomotive Firemen & Enginemen will honor Melvin L. Rake, as "locomotive fireman of 1960" at a March 21 dinner where Secretary of Labor Arthur J. Goldberg will be the speaker.

Fireman Rake of the Great Northern is credited with having saved cars of that road's "Empire Builder" from being pushed into Puget Sound by a landslide on Dec. 27, 1959.

Watching Washington *with Walter Taft*

● **PRESIDENT KENNEDY** is getting monthly reports from federal regulatory agencies, including the ICC. The reports were requested by the White House, and this has stimulated speculation and Republican charges that the President may be seeking a major role as boss of the regulators, which, of course, are agencies of Congress.

ICC COMPLIANCE with the White House request indicates that the Commission does not think its status as an agency of Congress is thereby undermined. The Commission obviously thinks the Kennedy request is different from the 1938 request of former President Roosevelt, which it refused to meet. The latter was a request for clearance of Commission legislative recommendations with the Bureau of the Budget, an executive-department agency.

THE KENNEDY REQUEST came in a letter which was sent to all executive departments, as well as the regulatory agencies, by Frederick G. Dutton, special assistant to the President. It asked for "a brief, informal, written summary from the chief officer of the agency on its principal activities during the preceding month and pending for the period immediately ahead." Information about cases awaiting decision should not be included, the memorandum said.

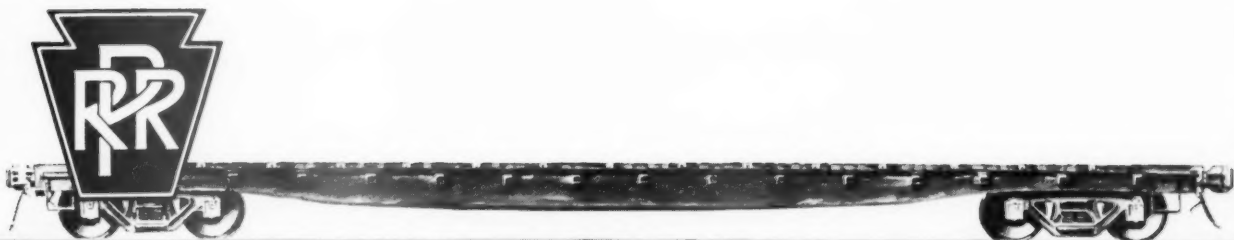
THE PRESIDENT, as the memorandum put it, "is

particularly interested in having major problems of the agency flagged for his attention." And, "if nothing of significant note for the President's personal attention has occurred, please merely report that fact."

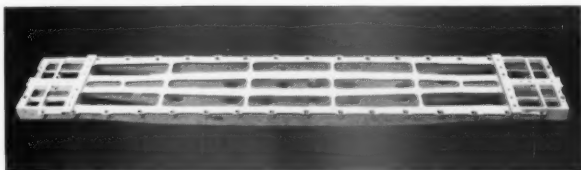
ALL OF WHICH adds up to what the ICC is understood to consider the usual type of request it gets for information. It meets all such requests if they come from responsible sources and do not impose undue burdens on the staff. An example of what the Commission might include in the next report would be a brief statement that it had issued a decision finding guaranteed railroad rates unlawful.

CONGRESSIONAL REACTION included the Republican charges, but it also included a statement by Chairman Harris of the House Interstate Commerce Committee that the President is entitled to the information. Mr. Kennedy "is taking only general information to carry out his own responsibility," Congressman Harris added.

THE PRESIDENT'S SERVICE in Congress seems to have made him quite aware of how the legislators feel about the regulatory agencies. He said recently that he thinks it "probably not likely that major responsibility in this area would be released to the White House."



Because years of service have proven the excellence of General Steel's one-piece designs and quality construction. Railroads recognize the advantages of:



- Simplified car construction
- Great strength with minimum weight
- Long maintenance-free life
- Built-in extra strength needed for bulkhead service

... and 31 major railroads are using nearly 13,000 General Steel underframes in flat, bulkhead or pulpwood car service.

Use them in your new cars. They're your best investment by far.



where railroad progress is cast in steel

GENERAL STEEL CASTINGS

GRANITE CITY, ILL. • EDDYSTONE, PA. • AVONMORE, PA.

St. Louis Car Company ST. LOUIS 15, MO., A Subsidiary





LOADED extrusions will be protected by covers during shipment.

Aluminum Gondola Passes 10,000-Mile Service Trial

The Harvey Aluminum prototype covered-gondola car, recently put in regular service, has passed its first 10,000-mile check-up with an excellent record for reliable and safe handling of more or less difficult loads. Designed for protective shipment of long materials, the 85-ft car has an eight-ton payload increase over a standard car.

Under lease to the Rock Island from the North American Car Corp., the gondola was developed by the aluminum producer to demonstrate building and operating economies made possible by mounting an extruded aluminum superstructure on a conventional steel undercarriage.

Service performance to date has been largely confined to priority shipments of strategic materials delivered to consignees in Georgia, Kansas and Washington. A total of 12 coastal and cross-continent runs carrying special long-length tubing and structural aluminum components were made during the test period. Ladings in each instance were bulky, precision-fit units which demonstrated the car's chief advantages for shippers in that full loads were afforded maximum security and protection from weather and shock.

Loading the car proved easy. Four aluminum watertight roof sections, weighing about one-third of equivalent steel construction, cover the car from end to end. Center sections are removed first, then the ends. Lifting is done with any small crane, or even a block-and-tackle; it takes 10 to 15 min to remove and replace covers.

In the test hauls with long tubing,

5¼-in.-by-5¼-in. Api'ong wood cross-bars were suitably positioned on the car deck to support the load and permit sling handling. Inasmuch as some of the tubes were 63 ft long and each structural, 50 ft. long, the cradle and sling provisions greatly facilitated loading and unloading. Suitable blocking was installed against cross and longitudinal shifting of the load.

Fabrication of the car was a large-section assembly job in which 90% of the joints were made with Huck steel rivets. The original 85-ft piggy-back steel car was stripped and the side sills prepared for application of custom-designed aluminum sections. These channel sections, 82 ft long by 25 in. wide, were made in a 12,000-ton hydraulic extrusion press at the Harvey Aluminum plant, Torrance, Calif. The channels were installed three high longitudinally on each side and riveted together and to the side sills.

The channel flanges had previously been punched, also cut and coped for application of the extruded aluminum side posts which are welded in place.

The aluminum car ends were each reinforced or buttressed with three 8-in. by 20-in. extruded aluminum I-beams which are cut so they taper to their tops. All side and end assemblies were fastened together and secured to the underframe with ½-in. Huck galvanized steel lockbolts, or rivets. Aluminum-to-aluminum contact surfaces were painted with a primer before assembly. In the case of aluminum-to-steel contact surfaces, the former were painted with a primer and the steel with a zinc chromate metal primer. All joints were caulked with a heavy coat of Alumilastic.

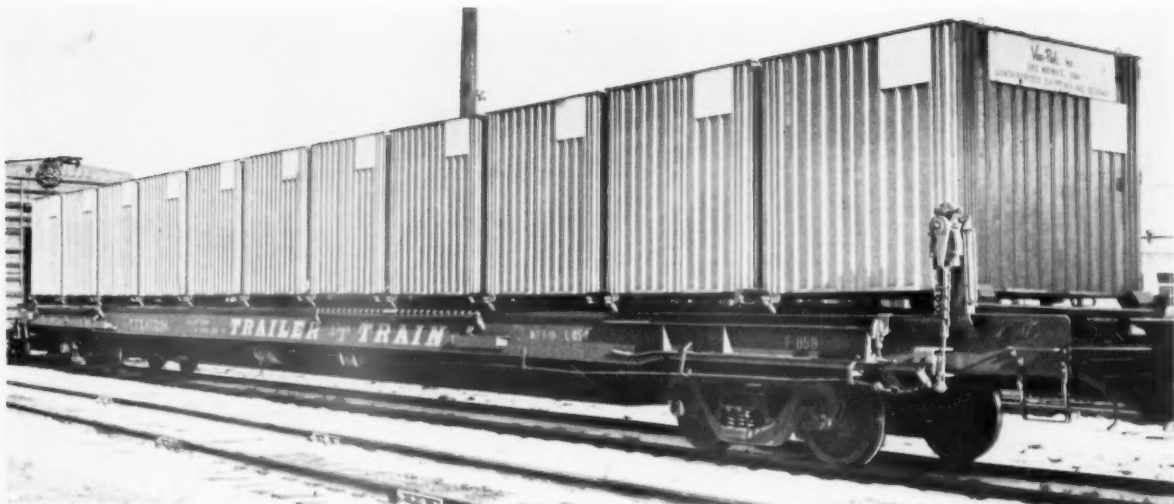
For the car roof, panel-type aluminum extrusions were fabricated by Harvey Aluminum into four 20-ft removable waterproof sections equipped with lifting eyes and stacking spacers. Running board sections are permanently applied to the individual roof sections. Three clamps, or locks, on each side of each roof section secure it to the car sides.

The car is equipped with easy-riding trucks having one-wear wrought steel wheels and roller bearings. Rubber-type draft gears are installed; also an Ajax vertical-wheel hand brake. Safety appliances are steel, installed in accordance with ICC requirements.

The light weight of the completed car with aluminum superstructure is 75,900 lb and the load limit, 134,100 lb. The aluminum superstructure weighs less than 10,000 lb, and a comparable conversion into steel body and roof would add eight tons to the empty car weight. Advantages indicated by use of the custom-designed aluminum sections described are: high structural and fabricating efficiency; two-thirds saving in superstructure weight with proportionately increased load; reduced operating cost; safer handling of critical long materials needing weather protection.

General Dimensions and Weights of Aluminum Gondola

Length over end sills	85 ft 0 in.
Inside length between end sheets	80 ft 4 in.
Inside width	8 ft 2½ in.
Inside clear height	4 ft 11¼ in.
Cubic capacity	3,240 cu ft
Nominal capacity	130,000 lb
Load limit	134,100 lb
Light weight	75,900 lb
Weight of aluminum superstructure	10,000 lb
Saving over equivalent steel construction	16,000 lb



TRAILER TRAIN flat used in Frisco's passenger train containerization tests carries 11 boxes destined for Oklahoma

City and two intermediate points. Road expects tests to reveal possibilities for saving time and money.

Frisco Tests Containerization

Containerized handling of mail and express in passenger train service is getting a thorough test on the Frisco. The experimental operations, between St. Louis and Oklahoma City, have a dual purpose. First, they will give the railroad valuable experience in handling containers. Second, they enable exploration of the possibilities of savings, in both time and money, which containerization may bring.

Here's how the container operation works:

Frisco No. 3, the "Will Rogers," leaves St. Louis with a new car in its consist—an 85-ft piggyback flat loaded with 11 containers of mail and express. On its 542-mile, morning-to-evening run south, No. 3 drops off one box at Vinita, Okla., four more (three mail, one express) at Tulsa and the last six (five mail, one express) at Oklahoma City. Container pickups northbound are made by No. 4, departing from Oklahoma City the following morning.

Station handling has been greatly simplified. The traditional—and time-consuming—sack-at-a-time loading and unloading has been eliminated. One pass with a forklift truck is all that's required to perform the operation that several men might need many minutes to finish. And containerization lends itself to efficient movements beyond rail station—to outlying post offices, for example—without the added delays and increased costs involved in reloading mail, sack by sack, into a truck.

The Frisco hopes to prove that the

container operation will reduce loading and unloading time—and that it can offer cost reductions all around, for railroad, post office and express agency. Coming up later may be similar experiments with containerized handling of LCL and household goods.

Containers being used in the tests measure 7 ft by 7 ft 10 in. by 6 ft 10

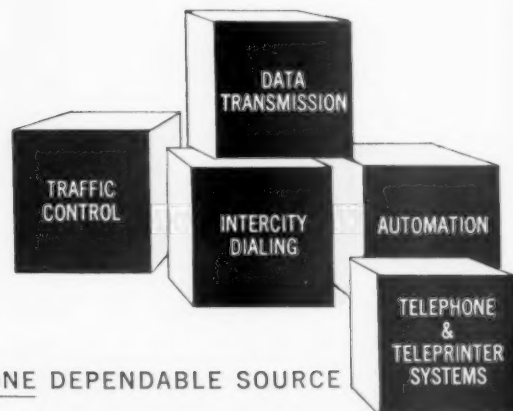
in., with doors on one side only. The boxes, built by the Champion Company, of Springfield, Ohio, were obtained by the Frisco from Van-Pak, Inc., of Des Moines, Iowa. The car is a Trailer Train flat equipped with hold-down gear for containers and steam lines to permit operation in passenger train service.



FORK-LIFT LOADING is sharp contrast to traditional manual methods of handling mail sacks. Truck brings mail container down platform, swings it over car and lowers it in place quickly for tiedown. Improved terminal handling of mail and express may permit faster passenger-train operations.



The next big move high-speed system



ALL THE "BUILDING BLOCKS" YOU NEED—FROM ONE DEPENDABLE SOURCE



in train dispatch— communications

If your diesels are outperforming your communications, Automatic Electric offers an economical way to equalize the race.

The answer is *total communications at high speed*. Modern train dispatching requires reliable, split-second control. A diesel hauling freight at 80 miles an hour cannot wait. It demands a clear track ahead for *speed*, for *safety*, and for *full efficiency*.

With a planned, integrated communications system you can have this vital traffic supervision and control—plus high-speed teleprinter service, data transmission and system-wide dial-telephone communication that puts *everyone* along the line within instant contact.

The cost? The road needing improved or expanded high-

speed system communications is *already paying for it*—paying in reduced efficiency.

AE can supply this system-owned communications package, right down to the last connection. Or work with your research and planning group and Communications Superintendent in mapping out a “building block” system tailored precisely to your expansion requirements.

For full details, phone (Fillmore 5-7111) or write the Director, Railway Sales, Automatic Electric Sales Corporation, Northlake, Illinois.

AUTOMATIC ELECTRIC

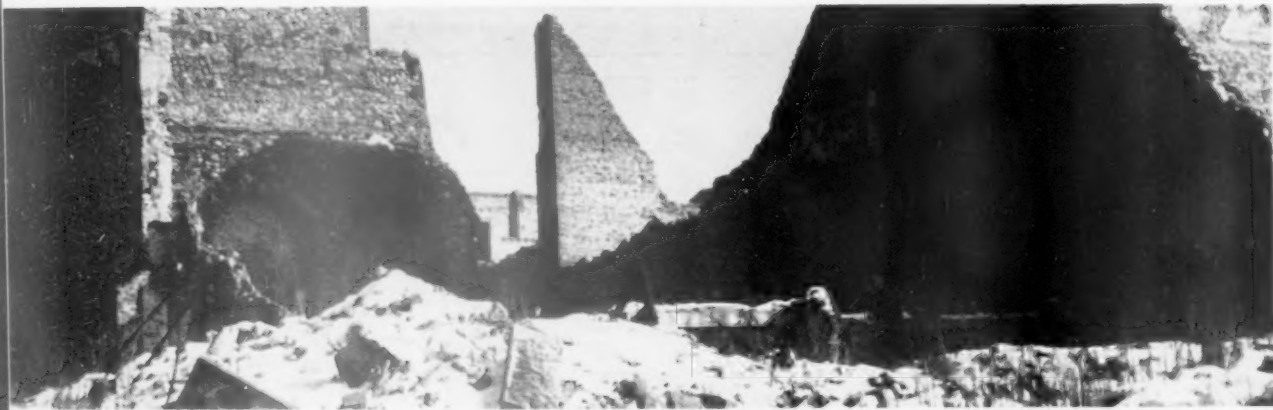
Subsidiary of

GENERAL TELEPHONE & ELECTRONICS



How America Can Fall Behind

1. Before World War II, America had incomparably the most modern
2. That is no longer true.



European

3. The old plant of countries like Germany was destroyed in World War II—obsolescence and all.



Wide World

4. The old plant of countries like England was partly bombed out, partly worn out.



Wide World

5. Russia scarcely had what you would call a modern plant—but quickly began making up for lost time.

productive plant in the world.



6. Today, Europe and much of Asia has a brand new plant. In France, Germany, England, car manufacturing efficiency rivals Detroit.

Russia has boasted that she will "bury" America. She may never get the chance. America is rapidly burying herself.

How has Russia been able to invade and capture traditional American markets? How have Germany, England and Japan been able to sell their products on the very doorsteps of U.S. manufacturers? Cheap foreign labor is only part of the answer.

The chilling truth is that one-third of the U.S. industrial plant today is obsolete—and, by European standards, clumsily inefficient. Why?

In theory, equipment reproduces itself. An "economic life" is assigned to a new machine by the Internal Revenue Service. Under established depreciation policy, a certain percentage of the cost is recovered each year during this "life"—so that when the machine is ready for the scrap heap, there's enough money to replace it.

Inflation throws the theory off balance. A blast furnace that cost \$8 million in 1945 costs \$26 million today. Unrealistic "economic lives" add to the chaos. Most machine tools are outdated in six years—but in the U.S. they have "economic lives" of 15 to 20 years. It's no coincidence that half of U.S. machine tools are obsolete.

The U.S., alone among leading industrial nations, clings to an antiquated depreciation system that—as Indiana Senator Vance Hartke puts it—"was conceived in the depths of the great depression and was based on the proposition that so long as a wheel will turn, a machine will not be discarded." The result is a "growth gap" that poses a far graver threat to Americans than any "missile gap."

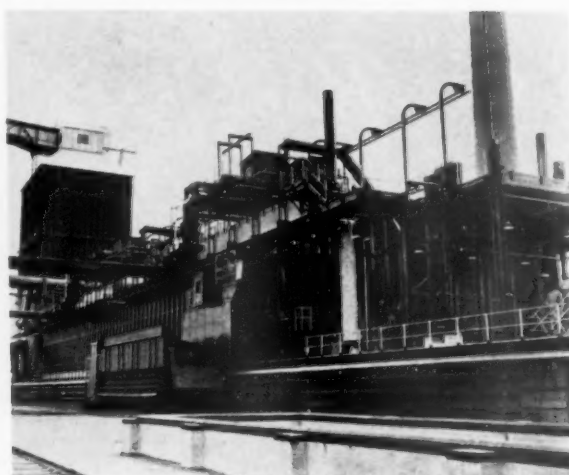
Russia plows 25% of Gross National Product back into productive plant—and has a growth rate of 6%.

Japan, which annually reinvests more than 25% of its GNP, has a growth rate of 8½%. West Germany, investing at the rate of 20½%, has pushed its growth rate to 8%. The U.S. is investing at the rate of only 16% of its GNP—and the growth rate is 4%.

While the rest of the world leaps ahead, isn't even able to keep up with



1961 One-third of America's industrial plant is obsolete today. It would cost at least \$95 billion to update it.

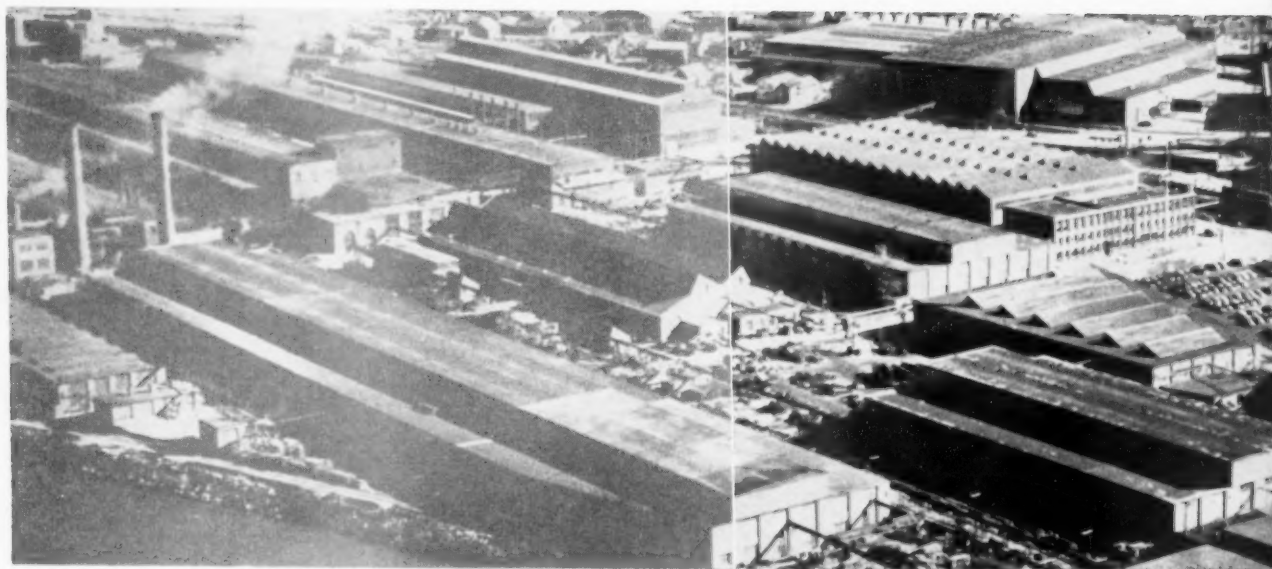


What's the difference between these coke ovens?

None—except that they were built seven years apart. They're identical in design, size and capacity. But the battery of ovens (left) built by a major steel producer in 1957 cost 60% more than the one (right) built in 1950. Inflation-

swollen costs, combined with outmoded depreciation laws, help account for the fact that U.S. production facilities each year are 3 10 of 1% less modern than they were the year before, according to conservative estimates.

American industry yesterday ...



1971 More than half of the industrial plant will be obsolete in 10 more years—if depreciation policy isn't changed.

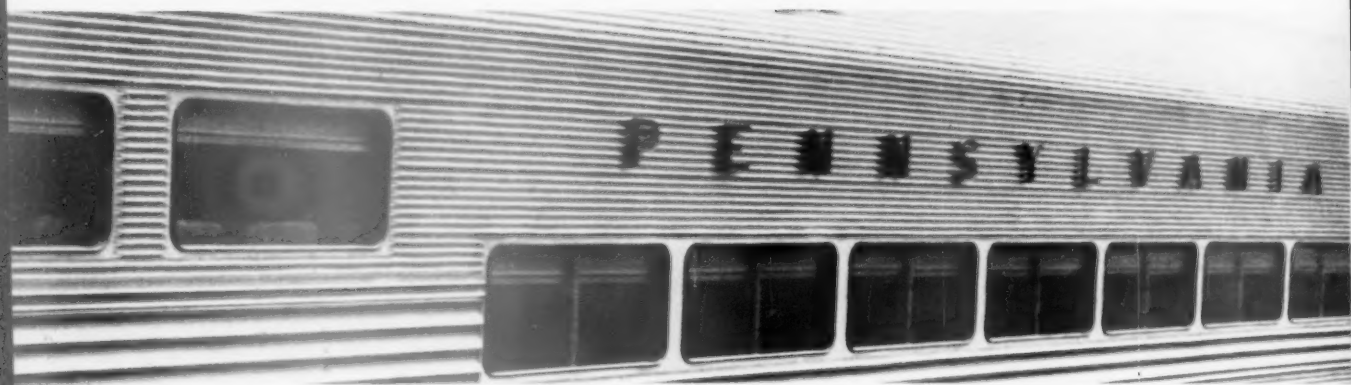
Depreciation affects everybody

R. Conrad Cooper, executive vice president of U.S. Steel, says present depreciation policy is a principal source of unemployment in the steel industry. Two distinguished Fordham University economists, William T. Hogan and Fran T. Koelble, foresee a worsening unemployment problem:

"Since present depreciation allowances force business to cling to outdated equipment which acts as a drag on technological progress, it is clear that, if they are allowed to continue, the choice of one of two economically unhealthy alternatives will become inevitable. Either productivity will have to be sacrificed to increase employment, in which case the current inflationary trend will be accelerated, or employment will have to be sacrificed through temporary dislocations to increase productivity."



Wide World



How America Can Fall Behind CONTINUED

Railroads could add importantly to realistic depreciation only allowed

By decree of the Internal Revenue Service, a brick building on railroad property has an average "economic life" of 80 years. This means that a freight station constructed to meet the needs of 1890 can't be replaced, under antiquated U.S. depreciation policies, until 1970.

The "economic life" of a railroad bridge is 75 years; of frame buildings, fences and signs, 50 years; signal equipment, 35 years; freight cars, 25 years; diesel locomotives, 20 to 25 years.

Is it any wonder that Russia's Minister of Transport, Boris P. Beschev, was shocked to find "much that is obsolescent" on U.S. railways during his recent visit to this country?

It's true that America today has the world's most modern, most efficient railway system—because railroads have been able to pour \$16 billion into new plant and equipment during the post-war years. They did it with the help of the accelerated depreciation programs of World War II and the Korean War; they did it by borrowing; they did it by dipping into meager earnings.

But the cash flow from accelerated depreciation has about run out; loans are increasingly costly and hard to negotiate; earnings have fallen to the lowest point in over a decade.

Meanwhile, freight cars are being scrapped faster than they can be replaced. Diesel locomotives are wearing out before enough money has accumulated through depreciation to make a down payment on new ones. Blue-

prints for badly-needed modernization programs—automatic freight yards, centralized traffic control, continuously welded rail—are gathering dust on engineers' drawing boards.

Railroads, under present depreciation laws, can't even keep up with yesterday. What about tomorrow?

During the next 10 years railroads need to invest in new plant and equipment at the rate of \$1.5 billion a year—one and a half times the present rate. At least \$1 billion a year is needed for new freight cars and motive power alone.

"But where," asks Daniel P. Loomis, president of the Association of American Railroads, "is the money coming from? Where, in an industry whose rate of return on net investment has run well below 3% during the last two years? Where, in an industry with a profit rate only *half* that of other regulated utilities, and only a *third* as much as the average manufacturing industry?"

How do you buy 100,000 new freight cars a year—the nation's minimum need—when it takes the depreciation allowances from four old cars to meet the payments on a single new one? A car that cost \$2,500 in the early 1930's costs \$9,500 today—without the extra refinements increasingly demanded by shippers. To obtain the \$7,000 difference from net income under the 52% corporate tax rate, a railroad must earn before taxes about \$14,500.

It's estimated that, for American industry as a whole, the gap between de-

preciation accruals and actual replacement costs is running at least \$6 billion a year. Some prosperous industries are able to close this gap with profits. For example, one steel company during a 10-year period was able to supplement every dollar invested from depreciation accrual with \$1.30 taken from corporate profits.

This most railroads can't do—because the profits aren't there. Twenty-seven major U.S. railroads failed to earn even their fixed charges last year.

Railroads that *are* making money hesitate to reinvest it under present depreciation policies.

Just a few weeks ago a \$25-million freight-car order was quietly cancelled after the buyer was unable to work out a realistic depreciation schedule in Washington.

Railroads propose two ways out of this dilemma:

1. Reduce the "economic life" of railroad property to 15 years for rolling stock and to 20 years for other facilities.

2. Permit railroads to set aside funds in a reserve to be used within five years to finance equipment purchases and other improvements—with the amount so deposited deductible in computing federal income tax. The construction reserve plan, like faster write-offs, involves tax deferral, *not* foregone-ness.

The modernization of today's repressive depreciation laws won't bring "super railroads" into being overnight. But it's a necessary beginning.



America's modern strength -- if
them to do so.



Truckers can recover the costs of their "rolling stock" in about 7 years, then buy new equipment.



Airlines can "write off" the cost of jetliners in about five years under present depreciation laws.



Diesel locomotives have an actual life of 15 years, but their tax life is arbitrarily fixed at 20 to 25 years.



Freight cars like these are required by law to endure for 25 years, by which time they could be obsolete.

**Keep your
MOTIVE POWER
FLEET
perpetually young**



The General Motors Locomotive Replacement Plan—replacing Diesels with Diesels—provides the advantages of dieselization all over again. By turning in older freight locomotives on the purchase of General Motor's new GP-20 "replacement" locomotives, many railroads are offered savings equal to those realized when the Diesel first replaced steam power.

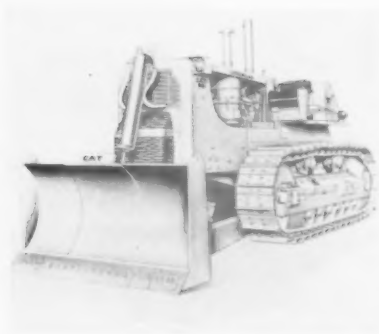
ELECTRO-MOTIVE DIVISION • GENERAL MOTORS

LA GRANGE, ILLINOIS • HOME OF THE DIESEL LOCOMOTIVE

In Canada: General Motors Diesel, Limited, London, Ontario

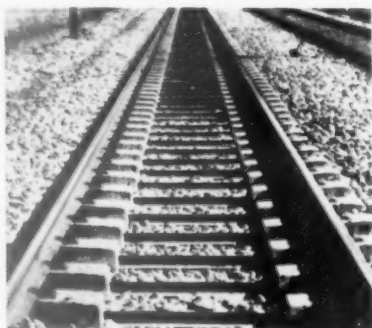


New Products Report



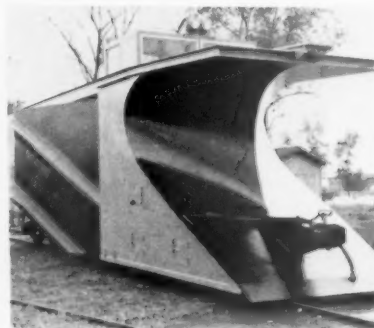
Cushion-Action Push Dozers

New cushion-action push dozers with a single-lift cylinder for hydraulic controls are now available for both Cat D8H and D9E Tractors. Designed to fill a gap between full time bulldozing and strictly pushloading, the No. 8C and 9C Bulldozers permit push tractor approach and contact with scrapers at relative speeds up to three miles per hour. Cable controls are available for both the 8C and 9C dozers. *Caterpillar Tractor Co., Dept. RA, Peoria, Ill.*



Concrete Cross-ties

A mixed-type concrete tie has been introduced in the U.S. by Sperry Products Company which will manufacture it under an agreement with the Societe d'Etudes Ferroviaries of Paris. Known as the R.S. concrete tie, it is composed of two reinforced-concrete blocks connected by a Y-shaped steel tie bar. Rail is fastened by double elastic spring clips. *Sperry Products Company, Division of Howe Sound Company, Dept. RA, Danbury, Conn.*



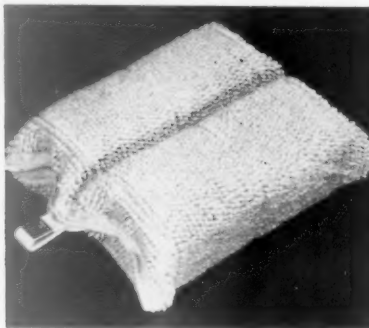
Improved Snow Plow

A number of improvements have been made to the Jordan Model WP-100 high-speed, wedge-type snow plow. The snow-spreader wings have been redesigned for greater rigidity and efficiency. They are equipped with two diagonally placed curved fins, having knife-like edges, which project from the wing faces to lift the snow. Changes also have been made to the cab for the operator's comfort. *O. F. Jordan Company, Dept. RA, E. Chicago, Ill.*



Electric Cord Reel

Operating with gravity stop action, the Cordomatic Droplight Reel, Model 800, locks and releases with finger-tip control at any length up to 30 ft. The UL-approved unit has a Neoprene cord, heavy-gage steel casing and chrome-plated reflector with swing-open guard. The heavy-duty spring motor is dust-proof and lifetime lubricated. An outlet for hand tools is built into the handle. *Cordomatic, Dept. RA, 17th & Indiana Ave., Philadelphia 32, Pa.*



Journal Lubricator

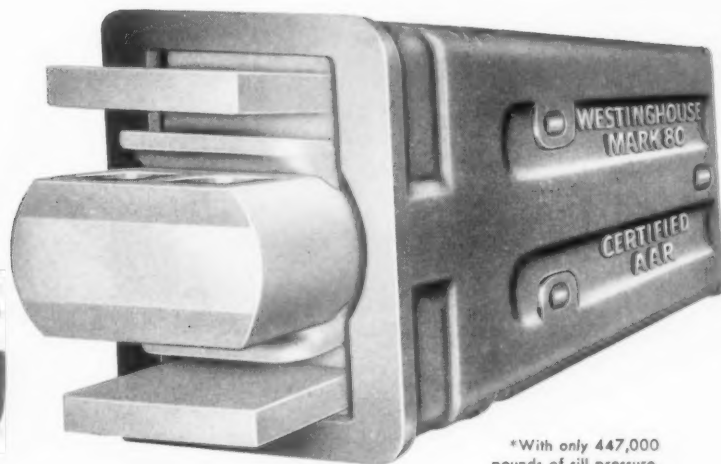
The Landreth-Pak twin lobe pad features an 8-in.-wide wick sewed to the outer cover to furnish a continuous supply of oil to the entire pad length. The outer cover is oil-absorbent lint free tufting. The foam rubber core is said to have the required resiliency at subzero temperatures. The lubricator is AAR-approved for test application in interchange. *Spring Packing Corp., Dept. RA, 332 S. Michigan Ave., Chicago 4.*



Aluminum Refueling Nozzle

Flow range of the No. 12300 automatic diesel refueling nozzle meets current gallon-per-minute requirements. Its outlet coupler sealer is replaceable, and its tripping mechanism completely enclosed. The nozzle works on Buckeye standard locomotive adapters, or adapters with built-in check valves. For use with the nozzle are the No. 12215-2 bracket, 12215-3 coupler, and 12215-1 male connector. *Buckeye Iron & Brass Works, Dept. RA, Dayton, Ohio.*

Geared to the fight to cut damage claims



BIG TOUGH MARK 80

FRICTION DRAFT GEAR FOR 36-INCH POCKETS

*With only 447,000
pounds of sill pressure,
or reaction force,
A. A. R. CERTIFICATE NO. 37

Put MARK 80's 77,320 foot-pounds* of shock-absorbing capacity to work *really* cutting your damage claims.

Right at *the point of impact*...right behind the coupler, MARK 80 will do a bigger, better job of *stopping* overspeed shocks where they *start*. Center sills and freight cars are designed to operate this way; MARK 80 has the "beefed-up", built-in capacity to cope with the heavier shocks of today's traffic.

Specify the MARK 80 Friction Draft Gear. You'll see damage claims go *down*...car repair costs *reduced*, too!



For standard 24 $\frac{3}{4}$ inch pockets, specify the Westinghouse Mark 40 (high capacity) Draft Gear...or Westinghouse NY-11-F Draft Gear.

CARDWELL WESTINGHOUSE COMPANY

332 South Michigan Avenue, Chicago 4, Illinois • Canadian Cardwell Co., Ltd., Montreal 2, Quebec



BATTER *and*

Levin



BURN...

Heavy-duty OXWELD MW rod builds up battered rail ends...

The metal in an OXWELD MW steel rod will stand up to more battering than the rail on which you use it. Designed specifically for heavy-traffic rail steel, MW rod produces a hard, abrasion-resistant surface of high tensile strength and builds up battered rail ends. Since it responds to heat treatment, MW rod is also valuable for repairing parts that must be flame-hardened.

"Hard-as-rails" OXWELD DRIBURN rod builds up driver burns, frogs, and switch points...

Because this metal is formulated for the same hardness as rail steel, it wears at the same rate. This eliminates the problem of secondary batter. Check driver burns before they can cause trouble. One major road used DRIBURN rod for almost 25,000 welds in 1958 without a single failure reported. Since DRIBURN rod is engineered for the most desirable flow qualities, welding can proceed quickly. You save on both labor and gases, the two most costly items in this operation.

USE THE W-24-R BLOWPIPE FOR BOTH

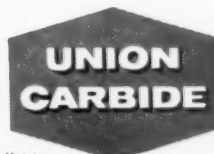


This is a general-duty blowpipe for sale only to railroads. Twelve different sizes of welding head are available, ranging from 4 cu. ft. to 80 cu. ft., and heating heads come in five sizes from 100 to 250 cu. ft. All use low-pressure acetylene.

For detailed information on rods and blowpipes, talk to your LINDE representative, or write Oxweld Railroad Department, Linde Company, Division of Union Carbide Corporation, 270 Park Avenue, New York 17, N. Y. In Canada: Union Carbide Canada Limited, Linde Gases Division, Toronto 12.

OXWELD RAILROAD DEPARTMENT

Linde



"Linde," "Oxweld," "MW," "Driburn," and "Union Carbide" are registered trade marks of Union Carbide Corporation.

Aging locomotives demand...

**an
immediate
solution:**

Age is catching up with the U. S. motive power fleet. Most of the locomotives were put in service eight to 12 years ago, and they are obsolete in terms of today's requirements for horsepower and versatility. Maintenance costs are rising while productivity falls off.

Many railroads see that these locomotives must be upgraded, to meet competition and raise profit. So far, the investment has seemed too high and payout too distant. But now there is an immediate solution.

That solution is the ALCO 251 diesel. Combined with other modern components, it delivers the kind of return needed to justify upgrading. ALCO 251 Reprofiting plans achieve this high performance with maximum reliability, while holding costs low with useable components from the old units. Reprofiting plans avoid major overhaul expenses, reduce capital requirements and permit realistic depreciation. Cash investment can pay out in one to three years.

In addition, by programming 251 Reprofit, repetition of the peak investments of a decade ago is avoided. A modern fleet can be built and kept up to date on a planned basis.

Such programs are profitable because the 251 Reprofited locomotives deliver more ton miles per dollar. Gains are as high as 50%. The ALCO 251 has much lower operating costs than older engines (fuel: 10% saving; lube oil: 40% saving; maintenance: 60% saving) so a high-power 251 runs for less than the existing, low-power engine. The Reprofited locomotives are all-purpose, adding needed flexibility to operations.

The ALCO 251 has been proved over five years and 200 million miles. It is built in a range to 2400 hp. Ratings are conservative, and the engine's unique capacity for more output is an asset for the future.

Each railroad's existing motive power is different, but each faces the problem of aging locomotives. An ALCO 251 Reprofiting program can begin now to provide a solution leading to a modern, profitable fleet.



ALCO PRODUCTS, INC. *Product quality comes first*

TOFC No Panacea, Says Trucker

► **The Story at a Glance:** In a year when piggyback continued to be the brightest spot in the rail traffic picture, the nation's biggest motor carrier—and heretofore one of the more vocal in its enthusiasm for piggyback—seemed to lose a bit of its pro-TOFC spark.

Railroads found Consolidated Freightways' use of piggyback edging downhill. CF got out of the flat car and trailer leasing business. It also wiped out its coordinated transportation services division.

The seeming paradox isn't hard to explain. Simple economics and a firm, stabilized philosophy on TOFC hold the answer. CF President William G. White sums it up this way:

"It's time for both railroads and truckers to quit trying to make something out of piggyback other than what it is and to get together and develop through this medium a coordination of rail and truck transportation services that will benefit not only railroads and truckers but also the public generally."

Consolidated Freightways' Bill White, a career railroader prior to March 1, 1960, doesn't view piggyback as a panacea for either a sick railroad or a sick motor carrier. He does regard it as a starting point for rail-truck cooperation and coordination—which could conceivably foster similar cooperation in other areas where the two forms of transportation have common interests.

CF's president is firm in his assessment of piggyback policy:

"We believe Plan I piggyback to be sound in principle. We feel that it affords a practical means of coordination between rail and truck services and cooperation between railroads and motor common carriers."

"We further believe that Plan 5 is basically sound—but our experience thus far has been that it is difficult to develop the necessary close cooperation and coordination between a major common carrier and a rail line to really develop the potential that joint rates offer in developing traffic that now moves by private or unregulated carriage. Additionally, it is apparent that Plan 5 will not develop significantly so long as there remains the reluctance on the part of the rail lines to extend service into each other's territory through joint rates with motor carriers."

Consolidated, he says, "is in complete accord with those people who believe that there must be coordination of transportation services in order that the public may be better served."

Certain reassessments of CF's operations and planning, however, have been made in three areas:

- The extent to which the company uses Plan 1 piggyback on the mid-continent part of its Pacific Coast traffic to and from Chicago.

- The leasing of piggyback flat cars and trailers to users of Plans 3 and 4.

- The extent to which CF retains a staff to promote Plan 5.

Why were the changes made? Here's Mr. White's reasoning:

"With respect to the use of Plan 1 piggyback—we have found that in some instances, in our endeavor to use piggyback service offered to us by railroads, we had moved too rapidly in diverting trailers from highway to piggyback service, with the result that we had impaired flexibility. I refer to problems we have experienced with exempt loads, traffic from shippers who

insist we not use piggyback service, refrigerated loads, inflexibility in schedule in departure and arrival times and inflexibility of routes.

"We believe that motor common carriers should use Plan 1 in day-to-day operations when practical to do so and not merely as standby service only. We would like to use Plan 1 piggyback from Chicago to Pacific Coast points, but such service is not offered to us—although the forwarders who are our competitors have Plan 3 and Plan 4 piggyback service available.

"Insofar as the leasing of piggyback flat cars and trailers to users of Plan 3 and 4 piggyback is concerned—we have completely discontinued this arrangement. We believe that Plan 3 and Plan 4 constitute destructive competitive practices. They are undermining the rate structures of rail lines as well as motor common carriers and they have spawned all manner of illegal and quasi-legal operations which are detrimental to all common carriers—rail and motor common carriers and even the freight forwarders who may be benefiting short-term from these plans. They could ultimately be an important factor contributing to destruction of the common carrier industry.

"Regarding our promotion of Plan 5 piggyback—this is merely a matter of economics . . . We still believe Plan 5 represents a potentially large area for coordination of rail and truck service and that some day railroads will recognize this fact. We stand willing to work out such joint rate arrangements as may be beneficial to both our company and the railroads involved. We have, however, disbanded the sizeable staff that was formerly working in this area because the tangible results for CF were just not worth the costs involved."

Consolidated's position on Plan 2 is consistent with its views on the other four major TOFC plans:

"We have no real argument with Plan 2, provided that rates are compensatory to the rail carrier involved. We do think it is foolish for railroads to publish Plan 2 rates that are not only lower than motor common carrier rates but also lower than their own box-car rates, which causes a diversion from box cars to Plan 2 piggyback and thus minimizes the profit. We do condemn the practice of some railroads who have entered into Plan 1 arrangements with motor carriers and who

(Continued on page 32)

What's What in Piggyback Plans

PLAN I—Railroads carry trailers owned by motor common carriers on a "division" of the truck rate.

PLAN II—Railroads carry their own trailers, under their own truck-competitive tariffs.

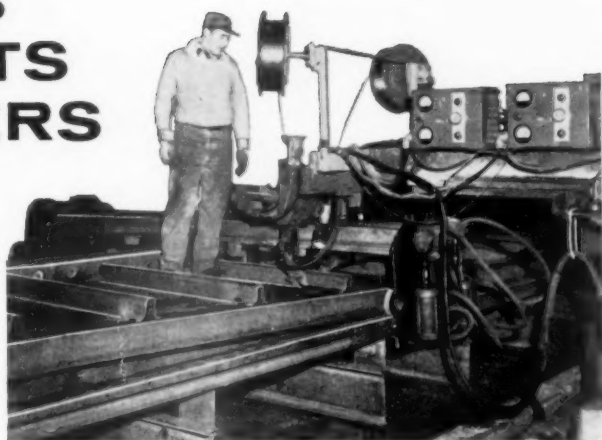
PLAN III—Railroads carry trailers owned or leased by shippers, at a flat rate per mile.

PLAN IV—Railroads carry trailers owned or leased by shippers on flat cars also owned or leased by shippers, at a flat charge per car, whether trailers are loaded or empty.

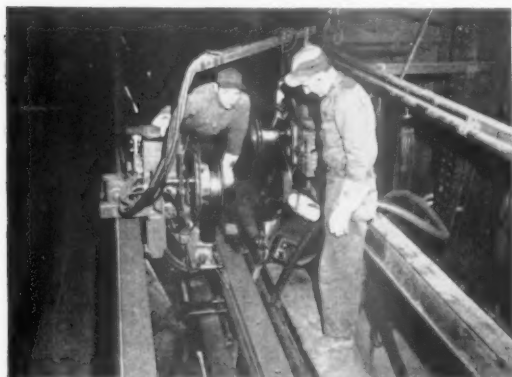
PLAN V—Railroads carry their own trailers, or common-carrier truck trailers, under joint rail-truck rates on an end-to-end basis.

AUTOMATIC WELDING CUTS DELIVERY COSTS ON PACESETTERS

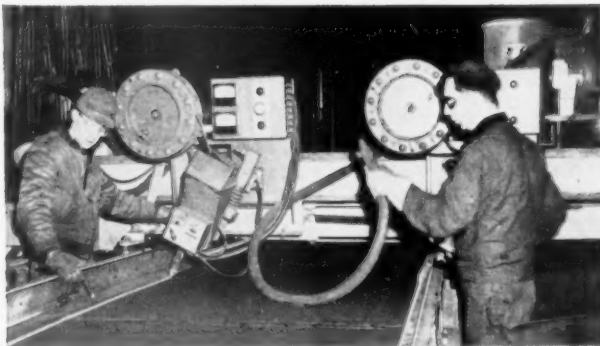
Thanks to automatic welding, Pacesetter package cars move through the big, modern Greenville shops faster and at less cost than ever before. Thanks to advanced design, Pacesetter gons, flats, hoppers and covered hoppers give you better service at lower cost. Planning car purchases, rebuilding or leasing? Get Greenville's bid. Production knowledge makes the difference.



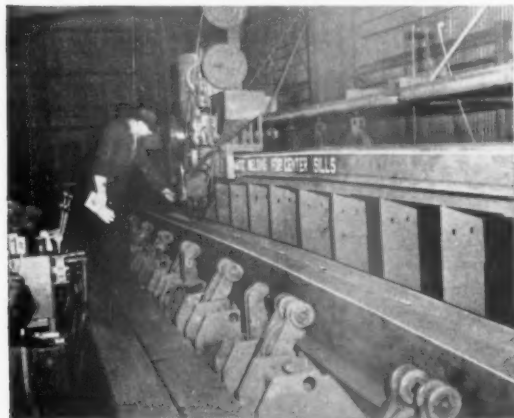
Side stakes are welded on both sides with one pass.



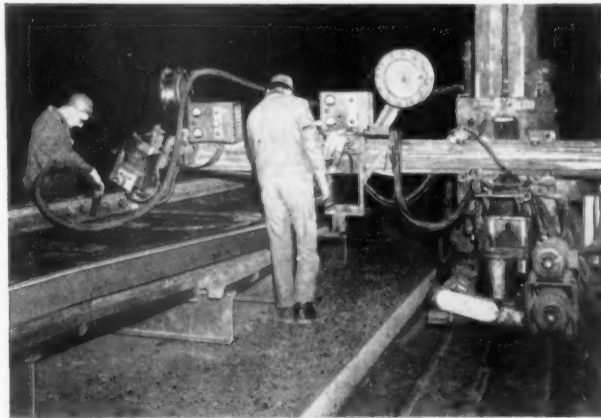
Two passes simultaneously, welding 6" and 7" channel for top side sill.



Automatic welding top and bottom angles, gondola sides.



Giant jig positions center sill for one-pass, automatic welding.



Welding heads follow tangent and straight edges simultaneously on fish belly sides.

GREENVILLE



STEEL CAR COMPANY

Subsidiary of Pittsburgh Steel Forgings Company

GREENVILLE • PENNSYLVANIA

48 Years of Experience

subsequently publish Plan 2 rates which undercut the motor carrier rates on the very traffic which they are hauling for the motor carrier. This, in my judgment, continues to be a major deterrent to the growth of Plan 1."

What about CF's actual use of piggyback services?

"We continue to believe," Mr. White declares, "that the extension of Plan 1 and 5 piggyback services offers immediate opportunities for coordination of rail and truck services. Even under the poor business conditions that have existed the past few months, CF has shipped an average of over 300 trailers or containers per week by piggyback on railroads in this country (including Alaska) and in Canada. This is down from over 600 a week moved last summer."

"This usage could be increased many-fold if railroads west of Chicago would agree to handle our business under either Plan 1 or Plan 5 from Chicago to Pacific Coast points—and we are going to continue to urge our railroad friends to give us this service."

CF has its firm definition of what piggyback is—and what it isn't.

"While I believe that the marrying of the natural advantages of the truck in collection and delivery of freight with the ability of the railroad to handle trailers 'over the road' at low operating costs is a natural and greatly-to-be-desired development in the transportation picture," Mr. White comments, "I do not believe that piggybacking is a panacea for all the ills of the railroad, truck or forwarder industries, as many people would like to believe."

"To carry this thought further—I do not think that piggybacking in any or all of its forms (or even in some yet to be devised) in itself will 'save' those railroads who are in financial difficulties. No elaboration is needed on this point, as the record seems to me to speak for itself. At the same time, I do not think that the wholesale extension of Plan 1 or Plan 5 piggyback service will in itself 'save' trucking companies who are in financial difficulties."

Can piggyback justifiably be viewed as a threat to the trucking industry?

"Except for the concern I've already expressed about the destructive competitive situation which has developed as a result of Plan 3 and Plan 4 piggyback operations, I do not believe that piggyback services, as such, present any real threat to the long-range future of the motor common carrier."

Exceptions to this will be found, of course, as in the case of the over-the-road automobile transporting business, which has been seriously hurt by railroad piggybacking of automobiles.

"Our own experience has convinced us that it is foolish to talk about piggybacking all of our business. There is a certain portion of our business that can go piggyback and we would like to increase this usage—but we are convinced that there always will have to be substantial operations over the highway if we are to continue to meet the shippers' wants which the flexibility of highway movement provides."

What direction does CF think piggyback planning and operations should take?

As Mr. White sees it, "it's time for both railroads and truckers to quit trying to make something out of piggyback other than what it is and to get together and develop through this medium a coordination of rail and truck

transportation services that will benefit not only railroads and truckers but also the public generally."

"In this direction, I would urge a reassessment on the part of railroads of their Plan 2, 3 and 4 piggyback services and rates and a consideration of the extension of Plan 1 and Plan 5 where it makes sense from the rail standpoint."

"On the truckers' part, I would urge the use of Plan 1 and Plan 5 where it makes sense in their operations, with such usage to be on a regular daily basis with the trucker relying on railroads to handle a certain proportion of his business as a regular, continuing operation."

"It would be my hope that this type of coordination and cooperation would foster cooperation in other fields—one of which must be a unified fight against illegal for-hire trucking, which to my mind is the greatest threat faced by railroads and motor common carriers."

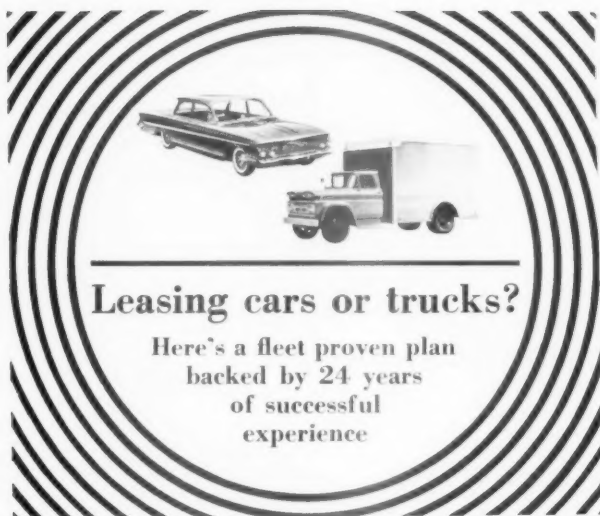
Railroader Turned Trucker a Year Ago



Ex-railroader William G. White marked his first anniversary as an executive of the trucking industry on March 1. Later this year, he'll pass the one-year mark as president of the nation's biggest motor common carrier, Consolidated Freightways.

All in all, it hasn't been an easy year since he stepped out as vice president-operations of the Lackawanna and joined CF as senior vice president. His original assignment, so CF said then, involved supervision of all company operations involving coordination with other forms of transport. Bill White remains staunchly in favor of intermode coordination—but in the months since he's been president, CF has trimmed sharply its operations in several such areas (e.g., elimination of the coordinated transportation services division as such, discontinuation of trailer and flat car leasing to users of Plan 3 and 4 piggyback).

Simple economics account for part of the cutback; CF's strong anti position on Plans 3 and 4 helps explain another slice. And, a number of observers have thought, growing, expanding, burgeoning Consolidated Freightways may have needed what its name implies—consolidation.



250 "Blue Chip" corporations now enjoy lower leasing costs with Wheels "Fleetguard" Service. *

FleetGUARD Financial Strength

— assures lower costs. Wheels has the kind of financial strength that assures lowest cost-of-money. Wheels will buy your present fleet and lease it back to you.

FleetGUARD Facilities

— assures lower costs. Wheels maintains a national network of over 300 delivery centers for personalized local service to your men at point of use.

FleetGUARD Administration

— assures lower costs. You get individualized service, providing coordinated data on every vehicle at regular intervals, plus professional guidance on repairs, tires, replacements, etc.

FleetGUARD Used Car Disposal

— assures lower costs. Wheels national facilities provide highest return on used cars and trucks.

Consult a Wheels man before you sign or renew your car or truck leasing contract. Lease Chevrolet Bel Airs, with Powerglide, or other fine cars and trucks with extra equipment of your choice. Send coupon today for full details and names of other famous firms in your industry now using Wheels Fleetguard Service.

WHEELS, INC.
6200 N. Western Ave.
Chicago 45, Illinois

Please send me your booklet on Fleetguard Service.

NAME _____

FIRM _____

ADDRESS _____

CITY _____

ZONE _____ STATE _____

Our present fleet includes _____ cars and trucks.

WHEELS

Fleet GUARD

SERVICE

ASSURES

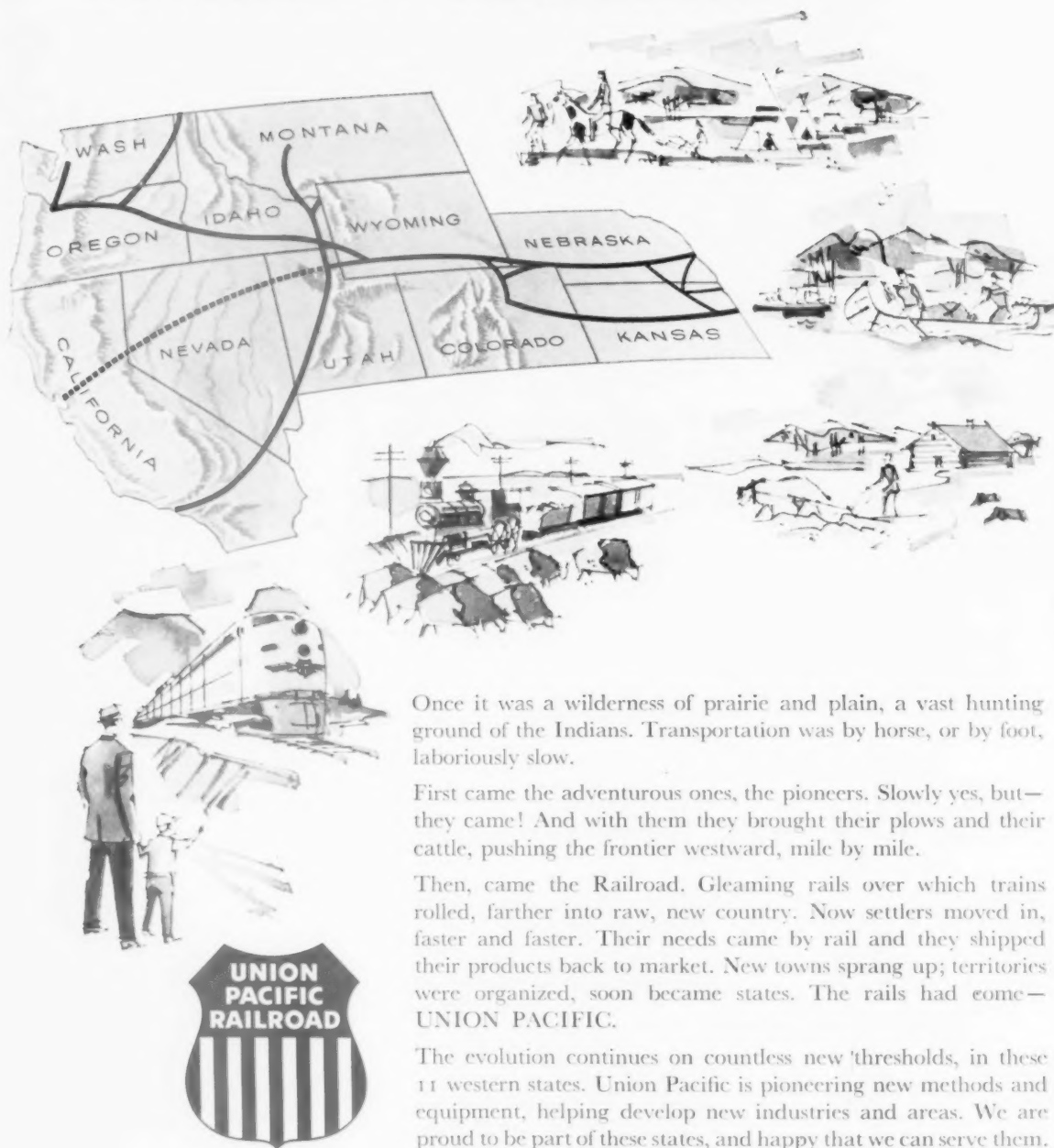
LOWER

COSTS

* Presently serving leaders in your industry
— Mopac, Chicago & Northwestern, and others.



EVOLUTION OF A TERRITORY ...AND A RAILROAD



Once it was a wilderness of prairie and plain, a vast hunting ground of the Indians. Transportation was by horse, or by foot, laboriously slow.

First came the adventurous ones, the pioneers. Slowly yes, but—they came! And with them they brought their plows and their cattle, pushing the frontier westward, mile by mile.

Then, came the Railroad. Gleaming rails over which trains rolled, farther into raw, new country. Now settlers moved in, faster and faster. Their needs came by rail and they shipped their products back to market. New towns sprang up; territories were organized, soon became states. The rails had come—**UNION PACIFIC.**

The evolution continues on countless new thresholds, in these 11 western states. Union Pacific is pioneering new methods and equipment, helping develop new industries and areas. We are proud to be part of these states, and happy that we can serve them.

UNION PACIFIC RAILROAD

Omaha 2, Nebraska



SHE'S IN ON TIME... ...With an assist from Gould

Right on schedule because she got underway on time—with a big boost from dependable, trouble-free Gould Diesel Starting Batteries.

Expertly engineered from cover to plate. Gould Kathanode Batteries with the new Silconic Plate provide that extra reserve power needed for fast breakaway torque and continued operation in rain, sleet, snow—all kinds of weather!

25% more battery life. With the vital new Silconic Plate, Gould Kathanode Batteries offer greatly increased life through prevention of grid corrosion, the most common cause of battery failure. Here's the principle: Gould introduces silver

and cobalt into active materials of the positive plates. The silver and cobalt migrate to—and collect on—positive grid members, forming an insoluble oxide surface impervious to acid and oxygen attack.

Specify reliable Gould Kathanode Batteries for the heavy current drains required in diesel starting. Call your Gould representative for the complete story. He's listed under "Batteries—Industrial" in the Yellow Pages. Gould-National Batteries, Inc., First National Bank Bldg., St. Paul, Minn. In Canada, write to Gould-National Batteries of Canada, Ltd., 1819 Yonge St., Toronto, Ontario.



Gould Diesel Starting Batteries with Silconic Plates resist corrosion, hold their charge, and last longer.

More Power to You from GOULD



In 1960, nearly freight cars went

Just since 1957 the share of new cars going on roller bearings has multiplied more than six times. In 1957, 10% of new cars ordered were roller bearing equipped; in 1960, 64% were "Roller Freight". (See above.) And a large majority of these cars in 1960 were on Timken® tapered roller bearings.

There are sound reasons for this accelerating growth of "Roller Freight":

1. Timken bearings on freight car axles solve the hot box problem—No. 1 cause of freight train delays. Timken bearings are operating more than 160,000,000 car miles per setout due to overheating.

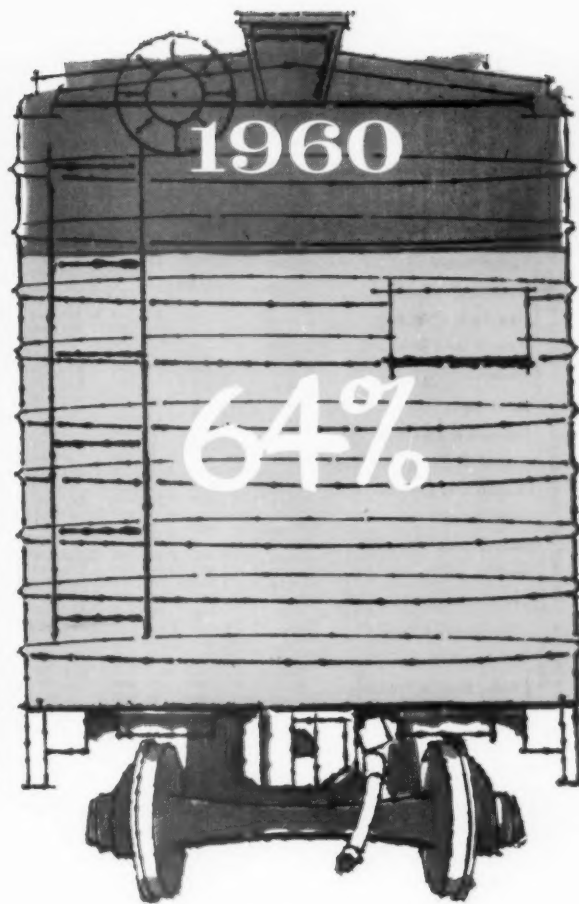
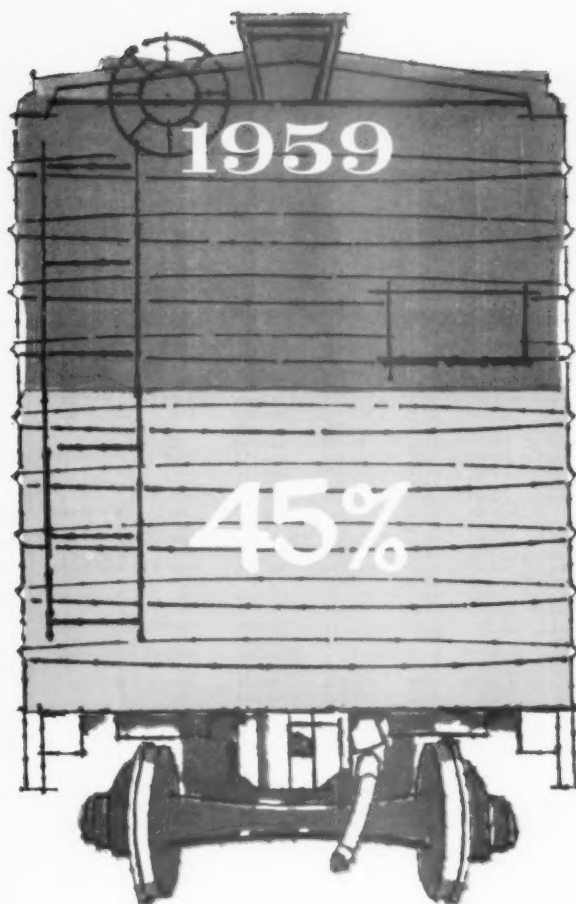
2. Timken bearings keep revenue producing cars in

service, help write off their cost sooner.

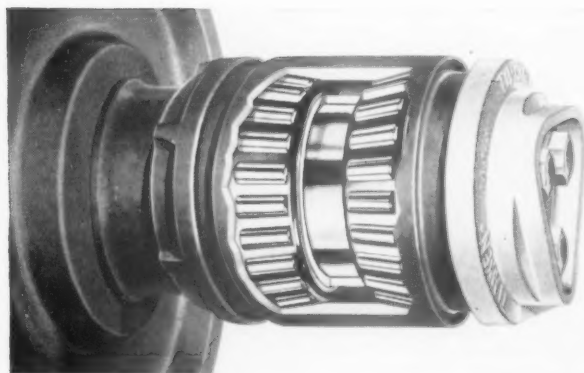
3. Timken bearings cut operating and maintenance costs. They need lubrication only once in four years, require only visual inspection in terminals.

4. Timken bearings help railroads deliver shippers better service because they help keep trains on schedule.

Now's the time to make the switch to "Roller Freight". Already 99 railroads and other car owners have over 73,000 cars on Timken bearings in service or on order. When all freight is "Roller Freight" the railroads will save an estimated \$288,000,000 a year—about \$144 per car. The Timken Roller Bearing Company, Canton 6, Ohio. Cable address: "TIMROSCO".



**2 out of 3 new
on roller bearings**



heavy duty
TIMKEN
tapered roller bearings

Freight Operating Statistics of Large Railroads—Selected Items

Region, Road and Year	Miles of road operated	Train miles	Locomotive Miles		Car Miles		Ton-miles (thousands)		Road-locs. on lines					
			Principal and helper	Light	Loaded (thousands)	Per cent loaded	Gross excl. locos & tenders	Net rev. and non-rev.	Serviceable		Per cent B.O.			
									Unstored	Stored		B.O.	B.O.	
New Eng. Region	Boston & Maine	1960	1,549	207,302	207,726	3,103	7,025	59.5	527,543	217,876	75	14	15.7	
	1959	1,546	205,971	206,171	2,821	7,552	62.3	535,380	221,261	80	3	26.5		
	N. Y., N. H. & Hartfd.	1960	1,719	218,826	218,840	11,325	8,222	60.6	572,531	232,155	62	13	17.3	
	1959	1,739	236,580	237,192	16,206	8,807	65.0	579,974	238,873	60	12	16.7		
	Delaware & Hudson	1960	763	147,647	148,901	1,249	7,108	62.7	519,714	261,336	33	10	23.3	
Great Lakes Region	1959	764	149,525	151,697	2,204	7,700	67.2	549,754	274,963	29	3	10	4.0	
	Erie—Lackawanna*	1960	3,181	719,579	730,775	14,833	34,503	63.3	2,333,741	897,183	242	10	4.0	
	1959	3,181	716,313	725,240	21,614	36,077	65.8	2,372,373	942,643	227	1	10	4.2	
	Grand Trunk Western	1960	916	187,077	187,123	1,094	5,923	57.5	426,762	164,289	38	9	2	4.1
	1959	951	175,228	175,257	961	5,271	60.3	380,285	154,713	38	9	23	32.9	
Central Eastern Region	Lehigh Valley	1960	1,114	174,047	176,224	5,084	7,564	62.0	537,448	239,008	31	5	3	8.8
	1959	1,114	179,489	181,797	5,411	7,949	65.5	549,051	252,410	29	5	14.7		
	New York Central	1960	10,326	1,850,375	1,862,189	78,322	75,922	56.3	6,203,349	2,644,040	435	12	55	11.0
	1959	10,333	1,852,730	1,865,428	72,136	78,213	57.2	6,274,566	2,718,362	438	11	54	11.0	
	New York, Chic. & St. L.	1960	2,155	536,964	536,964	4,274	22,604	60.0	1,712,021	727,734	109	3	2	7.7
Pacanthias Region	1959	2,155	541,286	541,286	4,351	25,442	65.3	1,864,254	853,806	106	27	7	5.0	
	Pitts. & Lake Erie	1960	221	35,138	35,138	1,551	37.7	151,406	86,472	12	5	1	5.6	
	1959	221	42,569	42,569	1,784	60.6	173,014	102,080	10	5	5	33.3		
	Wabash	1960	2,400	370,464	370,636	3,568	17,467	60.0	1,282,513	512,191	104	8	7.1	
	1959	2,379	373,374	373,839	3,872	18,584	64.1	1,300,722	538,498	111	4	4	3.5	
Southern Region	Baltimore & Ohio	1960	5,793	1,201,432	1,275,715	67,739	48,697	56.5	4,177,213	1,955,224	367	7	34	8.3
	1959	5,802	1,235,659	1,325,201	91,218	53,534	60.2	4,280,712	2,085,013	379	40	33	7.3	
	Bessemer & Lake Erie	1960	203	33,016	31,635	55	1,084	56.7	120,764	74,724	8	5	—	—
	1959	203	38,594	40,310	6	1,537	62.5	178,971	116,553	12	—	—	—	
	Central RR Co. of New Jersey	1960	593	99,508	100,768	4,970	3,857	64.0	308,183	166,196	65	2	2	3.0
Northwestern Region	1959	597	99,758	101,068	5,376	3,932	66.5	304,280	166,597	58	2	5	7.7	
	Chicago & Eastern Ill.	1960	863	99,520	99,520	2,384	4,241	58.7	344,129	168,379	27	4	12.9	
	1959	863	102,338	102,338	2,275	3,895	57.3	325,817	160,044	26	4	13.3		
	Elgin, Joliet & Eastern	1960	205	44,229	44,996	59.1	130,940	59.1	70,287	42	5	1	2.1	
	1959	205	51,394	51,917	—	1,656	63.6	137,827	76,818	41	2	—	—	
Southwestern Region	Pennsylvania System	1960	9,809	2,332,631	2,445,210	133,167	95,721	60.2	7,476,150	3,430,385	655	12	93	12.2
	1959	9,865	2,424,063	2,542,436	164,167	105,074	63.3	8,041,506	3,846,379	666	6	81	11.1	
	Reading	1960	1,298	260,576	261,378	5,066	9,756	58.7	869,894	444,473	142	4	19	11.5
	1959	1,302	266,791	267,964	9,687	10,834	61.8	938,611	511,479	149	4	22	12.6	
	Western Maryland	1960	841	126,065	129,355	6,093	5,053	58.3	461,331	248,896	40	2	1	2.3
Central Western Region	1959	843	127,844	132,726	7,723	5,755	64.6	508,039	291,169	40	2	1	2.3	
	Chesapeake & Ohio	1960	5,056	1,067,212	1,068,485	18,381	45,754	53.0	4,121,111	2,192,724	599	36	5.7	
	1959	5,060	1,090,996	1,093,554	19,899	51,898	55.7	4,432,881	2,626,947	586	31	7.9	—	
	Norfolk & Western	1960	2,722	626,292	639,718	25,984	32,214	53.4	3,200,104	1,716,281	169	10	16.6	
	1959	2,724	670,516	688,799	30,703	35,190	55.7	3,425,344	1,884,947	194	28	29	11.6	
Northwestern Region	Rich., Fred. & Potomac	1960	110	31,999	31,999	553	1,987	60.9	143,830	59,752	11	4	—	—
	1959	110	33,955	33,955	641	2,254	67.2	150,884	64,673	14	1	—	—	
	Atlantic Coast Line	1960	5,563	620,070	620,070	6,618	22,570	56.5	1,806,477	827,669	126	2	1	1.6
	1959	5,570	657,728	657,728	6,718	24,840	59.2	1,941,411	914,028	126	1	1	—	
	Central of Georgia	1960	1,712	169,010	169,010	1,759	6,599	60.8	530,516	259,817	31	1	1	3.1
Southern Region	1959	1,712	181,928	181,928	2,157	7,259	64.0	550,688	268,631	33	—	—	—	
	Florida East Coast	1960	512	72,359	72,359	—	2.865	33.5	331,960	83,122	46	5	4	7.3
	1959	512	98,172	98,172	—	31.6	33.8	246,479	88,392	54	—	—	—	
	Gulf, Mobile & Ohio	1960	2,717	254,685	254,685	73	13,714	62.8	1,030,450	493,435	88	—	3	3.3
	1959	2,717	256,448	256,448	—	15,093	65.5	1,089,014	526,348	86	—	5	5.5	
Northwestern Region	Illinois Central	1960	6,500	956,530	956,530	25,015	40,354	58.4	3,140,691	1,452,962	167	5	23	11.8
	1959	6,500	987,100	987,100	26,053	44,744	60.0	3,429,326	1,611,086	187	10	177	47.3	
	Louisville & Nashville	1960	5,666	887,286	887,748	15,241	33,744	59.5	2,711,425	1,327,036	169	4	4	2.3
	1959	5,678	886,433	887,151	14,160	35,067	59.7	2,837,624	1,406,969	170	4	4	2.3	
	Seaboard Air Line	1960	4,123	538,745	538,745	2,167	21,941	57.2	1,782,496	826,070	123	6	4	7.7
Northwestern Region	1959	4,135	576,411	576,411	1,398	23,917	59.2	1,890,967	875,261	125	—	4	3.1	
	Southern	1960	6,242	835,330	835,450	10,428	36,580	61.6	2,671,233	1,417,902	193	5	4	3.4
	1959	6,243	828,742	828,944	8,856	39,662	64.3	2,775,879	1,307,379	198	5	3	1.5	
	Chicago & North Western	1960	10,690	919,978	920,009	8,849	34,362	60.9	2,407,005	1,250,763	197	31	11	5.4
	1959	10,635	918,003	918,003	9,637	32,341	61.3	2,405,280	1,035,593	206	8	19	8.2	
Northwestern Region	Chicago Great Western	1960	1,437	129,839	129,839	176	6,302	63.5	460,074	211,960	25	2	7.4	
	1959	1,437	128,342	128,342	152	6,265	64.7	456,070	213,888	25	—	2	7.4	
	Chic., Milw., St. P. & Pac.	1960	10,588	765,198	771,691	7,831	33,179	59.8	2,475,780	1,066,457	162	13	5	2.8
	1959	10,591	792,716	799,182	10,459	35,328	62.6	2,455,076	1,073,786	303	18	16	4.7	
	Duluth, Missabe & Iron Range	1960	574	36,612	36,627	335	1,020	52.1	104,478	63,422	33	47	11	12.1
Northwestern Region	1959	556	75,251	75,410	626	3,223	50.8	340,848	204,975	181	1	1	—	
	Great Northern	1960	8,268	933,136	937,711	21,981	36,148	58.6	2,753,317	1,189,738	286	2	8	2.7
	1959	8,279	961,122	963,283	19,596	39,343	61.3	2,953,515	1,330,802	277	—	12	4.2	
	Minn., St. P. & S. Ste. Marie	1960	4,169	340,849	341,151	138	11,638	62.4	818,979	364,120	89	5	5	5.3
	1959	4,169	337,687	337,935	248	12,005	64.5	830,358	372,185	84	5	10	10.1	
Northwestern Region	Northern Pacific	1960	6,504	734,533	740,199	8,321	27,508	57.7	2,031,791	841,191	252	2	9	3.6
	1959	6,538	762,013	767,900	8,865	29,875	59.9	2,146,450	901,149	242	4	4	1.4	
	Spokane, Portland & Seattle	1960	1,311	131,587	131,587	5,444	67.9	375,043	174,368	25	—	2	7.4	
	1959	935	133,449	136,149	1,011	5,464	69.1	362,875	166,647	53	—	—	—	
	Atch., Top. & S. Fe (incl. G. C. & S. F. and P. & S. F.)	1960	12,968	2,367,171	2,507,826	26,130	106,211	61.7	7,852,724	3,021,362	687	10	50	6.7
Northwestern Region	1959	12,992	2,476,961	2,654,332	51,568	110,879	61.7	7,996,297	3,149,619	719	14	52	26.3	
	Chic., Burl. & Quincy	1960	8,613	1,056,331	1,055,799	27,369	42,171	60.6	3,037,148	1,286,525	144	2	52	26.3
	1959	8,647	1,055,176	1,054,724	23,636	44,383	63.3							

For the Month of November 1960 Compared with November 1959

Region, Road and Year	Freight cars on line			Per Cent B.O.	G.t.m. per train-hr. excl. locos and tenders	G.t.m. per train-mi. excl. locos and tenders	Net ton-mi. per train-mile	Net ton-mi. per car-mile	Net ton-mi. per car-day	Cars-miles per car-day	Net daily ton-mi. per road-mi.	Trains-miles per train-hour	Miles per loco. per day
	Home	Foreign	Total										
New England Region													
Boston & Maine.....1960	2,211	7,100	9,311	2.3	40,320	2,548	1,053	31.0	751	40.7	4,689	15.8	89.1
1959	2,035	8,056	10,091	3.2	40,513	2,603	1,075	29.3	737	40.4	4,771	15.6	69.8
N. Y., N. H. & Hartford.....1960	3,989	12,792	16,781	5.5	40,605	2,616	1,061	28.2	454	26.5	4,502	15.5	127.0
1959	3,639	13,395	17,034	7.6	38,016	2,451	1,010	27.1	479	27.2	4,579	15.5	137.3
Great Lakes Region													
Delaware & Hudson.....1960	5,193	3,293	8,486	14.4	64,297	3,531	1,775	36.8	1,034	44.9	11,417	18.3	122.4
1959	2,482	5,205	7,687	9.8	65,815	3,694	1,848	35.7	1,093	45.5	11,997	17.9	143.9
Erie-Lackawanna*.....1960	17,017	19,158	36,205	13.7	68,508	3,274	1,259	26.0	811	49.2	9,401	21.1	112.9
1959	16,080	21,815	37,895	10.5	67,107	3,341	1,327	26.1	821	47.7	9,478	20.3	115.6
Grand Trunk Western.....1960	5,494	5,776	11,270	6.1	57,291	2,289	881	27.7	485	30.4	5,289	25.1	135.8
1959	4,997	7,572	12,569	4.9	51,761	2,174	884	29.4	413	23.3	5,423	23.9	88.8
Lehigh Valley.....1960	6,858	8,993	15,851	17.1	65,169	3,127	1,391	31.6	504	25.7	7,152	21.1	195.8
1959	6,195	8,091	14,196	11.9	64,823	3,086	1,419	31.8	595	28.6	7,553	21.2	201.9
New York Central.....1960	60,859	69,653	130,512	12.2	61,312	3,381	1,442	34.8	659	33.6	8,537	18.3	147.5
1959	60,992	75,929	136,921	8.6	59,806	3,420	1,482	34.8	664	33.4	8,769	17.7	153.5
New York, Chic. & St. L.....1960	11,710	11,783	23,493	12.9	59,174	3,225	1,371	32.2	991	51.3	11,257	18.6	179.7
1959	9,054	16,713	25,767	14.4	63,195	3,499	1,599	33.5	1,148	52.4	13,207	18.3	115.1
Pitts. & Lake Erie.....1960	7,409	2,725	10,134	11.4	70,651	4,317	2,465	55.8	279	8.7	13,043	16.4	69.1
1959	7,853	4,132	11,985	5.7	64,389	4,128	2,435	57.2	301	8.7	15,397	15.8	80.1
Wabash.....1960	6,526	8,048	14,574	10.9	80,885	3,164	1,383	29.3	1,120	63.6	7,114	23.4	116.4
1959	9,993	6,908	16,901	11.9	77,535	3,591	1,419	29.0	1,072	57.7	7,545	22.3	114.8
Central Eastern Region													
Baltimore & Ohio.....1960	60,433	33,713	94,146	22.5	61,875	3,530	1,652	40.2	707	31.2	11,250	17.8	111.5
1959	61,893	38,277	100,170	17.8	56,156	3,521	1,715	38.9	693	29.5	11,979	16.2	107.8
Besemer & Lake Erie.....1960	6,084	902	6,986	9.8	54,203	4,005	2,478	68.9	388	9.9	12,270	14.8	97.5
1959	3,437	1,208	4,645	7.5	73,559	4,954	3,236	75.8	587	12.4	19,138	15.9	124.6
Central RR Co. of New Jersey.....1960	3,858	9,655	13,513	15.9	46,052	3,223	1,738	43.1	418	15.2	9,342	14.9	73.5
1959	3,998	10,945	14,943	17.8	45,246	3,158	1,729	42.4	379	13.4	9,302	14.8	74.8
Chicago & Eastern Ill.....1960	3,592	2,358	5,950	13.5	60,822	3,493	1,709	39.7	933	40.1	6,504	17.6	112.1
1959	3,285	2,170	5,455	21.2	60,381	3,204	1,571	41.1	911	38.8	6,182	19.0	116.0
Elgin, Joliet & Eastern.....1960	6,769	4,293	11,062	6.8	23,529	3,067	1,646	45.8	200	7.4	11,429	7.9	43.5
1959	7,990	5,483	13,473	4.8	20,985	2,792	1,556	46.4	207	7.0	12,491	7.8	36.5
Pennsylvania System.....1960	109,276	76,512	185,788	15.6	67,672	3,291	1,510	35.8	618	29.6	11,635	16.6	124.6
1959	108,536	86,952	195,488	14.7	58,177	3,422	1,637	36.6	654	28.2	12,997	17.5	131.6
Reading.....1960	16,043	12,964	29,007	13.0	54,199	3,338	1,706	45.6	540	20.2	11,414	16.2	68.8
1959	15,822	17,230	33,052	21.6	54,011	3,519	1,918	47.1	514	17.6	13,095	15.4	64.6
Western Maryland.....1960	8,515	3,508	12,023	7.9	54,185	3,684	1,987	49.3	729	25.4	9,865	14.8	117.4
1959	5,568	3,406	8,974	6.3	56,898	4,036	2,313	50.6	1,030	31.5	11,513	14.3	137.4
Poconos Region													
Chesapeake & Ohio.....1960	69,530	19,798	89,328	8.6	65,056	3,874	2,061	47.9	790	31.1	14,356	16.8	61.7
1959	57,649	28,507	86,156	5.3	80,079	4,325	2,421	50.6	997	35.3	17,405	18.6	63.5
Norfolk & Western†.....1960	58,928	7,933	66,861	3.3	89,095	5,208	2,793	53.3	917	32.2	21,017	17.4	144.8
1959	47,802	9,415	57,217	3.8	67,672	5,208	2,869	53.6	1,056	35.3	27,066	17.6	107.1
Rich., Fred. & Potomac.....1960	1,78	1,055	2,833	1.9	96,530	1,831	30.1	1,500	81.9	18,107	17.5	74.9	
1959	115	979	1,094	3.0	101,469	4,453	1,909	28.7	1,946	100.8	19,598	22.8	80.6
Southern Region													
Atlantic Coast Line.....1960	19,161	15,674	35,135	5.1	48,183	2,920	1,338	36.7	784	37.8	9,259	16.5	188.7
1959	18,907	17,594	36,501	4.8	50,551	2,960	1,393	36.8	817	38.9	9,470	17.1	197.3
Central of Georgia.....1960	4,681	4,927	9,608	5.4	55,193	3,119	1,512	39.4	890	37.2	5,059	17.6	199.0
1959	3,504	5,232	8,736	3.6	52,930	3,031	1,479	37.0	1,018	43.0	5,230	17.5	195.2
Florida East Coast.....1960	711	3,214	3,925	5.5	49,228	3,206	1,119	29.0	747	48.1	4,814	15.4	47.9
1959	695	3,791	4,486	5.5	43,287	2,511	900	27.9	709	47.1	5,151	17.2	62.1
Gulf, Mobile & Ohio.....1960	7,173	10,380	17,553	6.8	67,672	4,036	1,939	36.0	932	41.2	6,054	19.1	101.6
1959	6,695	10,521	17,216	5.8	78,868	4,249	2,053	35.1	1,011	44.0	6,437	18.6	102.3
Illinois Central.....1960	28,738	24,552	53,290	2.9	58,250	3,301	1,527	36.0	918	43.7	7,451	17.7	183.0
1959	25,530	26,354	51,884	3.5	60,062	3,196	1,642	36.0	1,025	47.4	8,262	17.3	98.6
Louisville & Nashville.....1960	34,482	14,297	48,779	11.2	55,685	3,065	1,500	39.3	876	37.5	7,807	18.2	192.2
1959	33,485	19,069	52,554	10.8	57,390	3,213	1,593	40.2	888	37.0	8,260	17.9	195.1
Seaboard Air Line.....1960	18,437	11,835	30,272	4.6	60,344	3,369	1,561	37.6	919	42.7	6,679	18.2	163.3
1959	15,829	14,489	30,318	3.3	58,419	3,448	1,548	36.6	958	42.7	7,056	18.2	169.3
Southern.....1960	19,119	30,874	50,293	3.7	55,419	3,204	1,500	38.8	935	39.2	7,572	17.3	153.6
1959	19,666	28,215	47,881	3.9	58,784	3,356	1,581	33.0	902	42.6	6,981	17.5	151.3
Northwestern Region													
Chicago & North Western.....1960	24,835	27,259	52,094	8.7	43,754	2,621	1,362	36.4	795	35.8	3,900	16.7	150.4
1959	23,166	29,615	52,781	4.9	49,070	2,630	1,132	32.0	628	32.9	3,246	18.1	136.1
Chicago Great Western.....1960	2,017	3,158	5,175	4.7	70,542	3,547	1,634	33.6	1,202	56.3	4,917	19.9	172.1
1959	2,391	4,019	6,410	3.5	65,181	3,562	1,670	34.1	1,100	49.8	4,961	18.3	171.0
Chic., Milw., St. P. & Pac.....1960	30,163	19,862	50,025	6.3	67,438	3,243	1,397	32.1	689	35.8	3,357	20.9	158.4
1959	28,748	24,572	53,320	4.1	63,367	3,107	1,359	30.4	682	35.8	3,380	20.5	85.3
Duluth, Missabe & Iron Range.....1960	13,629	713	14,341	1.0	66,229	3,075	1,866	62.2	149	4.6	3,683	16.2	14.8
1959	12,928	2,449	15,377	1.8	75,044	4,913	2,453	65.6	512	15.8	6,289	16.6	36.7
Great Northern.....1960	25,301	21,447	46,748	3.0	64,105	2,975	1,285	32.9	878	45.5	4,797	21.7	117.9
1959	22,783	24,373	47,156	3.0	61,841	3,117	1,404	33.8	998	48.1	5,358	20.1	125.0
Minn., St. P. & St. Ste. Marie.....1960	7,297	6,124	13,421	9.1	50,837	2,405	1,069	31.3	872	44.7	2,911	21.2	131.8
1959	6,949	7,042	13,991	7.0	49,660	2,472	1,108	31.0	903	45.1	2,976	20.2	123.7
Northern Pacific.....1960	19,626	15,273	34,899	3.3	60,365	2,781	1,151	30.6	856	48.5	4,311	21.9	100.8
1959	18,212	17,423	35,635	3.0	59,630	2,821	1,184	30.2	876	48.5	4,594	21.1	112.9
Spokane, Portland & Seattle.....1960	1,436	4,449	5,885	2.2	42,668	2,861	1,266	30.1	1,018	45.9	6,216	14.8	197.4
1959	1,527	4,386	5,913	2.0	40,768	2,678	1,193	29.6	963	47.1	5,763	15.3	97.9
Central Western Region													
Atch., Top. & S. Fe (incl. G. C. & S. F. and P. & S. F.).....1960	53,431	34,960	88,391	5.9	81,624	3,231	1,243	28.4	1,124	64.1	7,766	25.3	121.0
1959	50,421	37,606	88,027	3.5	76,091	2,998	1,155	27.8	1,146	65.8	7,908	25.5	152.9
Chic., Burl. & Quincy.....1960	24,809	18,871	43,680	5.2	63,669	2,903	1,230	30.5	941	50.9	4,979	22.1	194.6
1959	23,808	19,356	43,164	4.0	63,224	2,949	1,270	30.1	1,040	54.7	5,144	21.5	167.0
Chic., Rock I. & Pac.....1960	15,830	19,557	35,387	4.9	62,812	3,023							



ALTON & SOUTHERN

**For Swift, Dependable Movement
Of Your Shipments Through
The St. Louis Gateway!**

A&S expedites your freight shipments through the St. Louis terminal district by employing the most modern switching facilities and techniques.

Our radio-equipped diesel locomotives, for example, pull and deliver cars to each of our 27 rail connections at least once every six hours. Pre-blocking of many cars also cuts detention time in the gateway.

Careful handling by our experienced switching crews gives added assurance that your freight will arrive at its destination safely . . . and on time.

As an added service to shippers, A&S off-line agents in Chicago, Kansas City, Memphis, New York City and Pittsburgh now furnish daily car location reports on shipments handled by Alton & Southern crews.

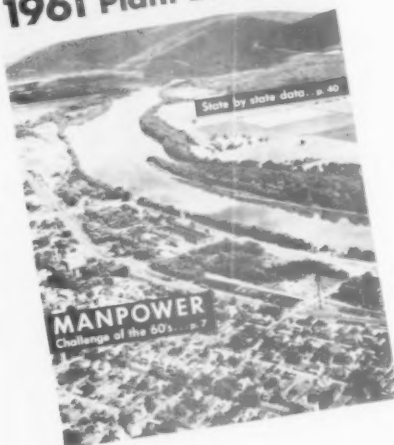
Call your nearest A&S agent for full information!

ALTON & SOUTHERN

**DEPENDABLE SWITCHING SERVICE
FOR OVER HALF A CENTURY**

Progressive service to shippers everywhere

1961 Plant Location



Announcing the 1961 PLANT LOCATION

**Released this month . . . 1961 edition of the primary
source book for industrial site seekers . . . features
advantages of every area in the U.S.!**

Nowhere else can industrial site seekers find such a wealth of new useful information in such concise form. Used by industrial decision-makers to select new locations, *Plant Location* reaches 17,250 presidents of U. S. manufacturing companies, and the second, third, and fourth top officers of all medium and larger U. S. manufacturing companies. Be sure to study the new 1961 *Plant Location* this month. Extra copies are still available at \$15 each. (Write to address below on your business letterhead.)

A single ad in PLANT LOCATION reaches 4 out of 5 industrial plant seekers!

Get plants to settle near your railroad . . . plan your advertisement in next year's *Plant Location* now! In *Plant Location*, you talk directly to site seekers, the executives who choose the industrial sites. That's why 20 railroads are advertising in the newest edition of *Plant Location*. Schedule ahead . . . reserve your space for 1961 *Plant Location* early!

PLANT LOCATION published by Simmons-Boardman, 30 Church Street, New York 7, N. Y.



New Edition 1960-61

WORLD RAILWAYS

Edited by HENRY SAMPSON

- Thoroughly revised and up to date
- Includes all major railroads
- International in its coverage

This worldwide survey of railway operation and equipment reflects the exciting period of changing development now being experienced throughout the entire railway world. In addition to detailed operating and equipment data on virtually all of the world railroads, the route maps again appear in this addition, new construction data, electrification, dieselization, automatic train control developments, new equipment designs, yard equipment, and similar data nowhere else available in a single volume. *This monumental volume must be seen to be appreciated.* It will provide you with an inexhaustible source of comparative data on operations, research developments and equipment.

8 1/4 x 12 1/2 inches in size, illustrated, \$20 per copy

Simmons-Beardman Books
30 Church St., New York 7, N. Y.

Please rush a copy of the new 1960-61 edition of WORLD RAILWAYS to me at \$20 per copy. ☐ Bill me ☐ Check enclosed (We pay postage if remittance accompanies order).

Name
Street
City State

*To the railroad industry
from Harry F. Ortlip**

*specialists in electrical engineering
and construction for over 40 years

QUESTION: What are you doing about modernization; capital improvements; and all the hundred-and-one other immediate, urgent, pressing engineering and construction problems and projects vital to the continuous, dynamic growth and progress of the railroads?

SUGGESTION: For almost five decades we have specialized in electrical engineering and construction for the railroads and know how to engineer and build profits into projects, cut operating costs, and reduce overhead.

Write me personally—or, your collect call will receive prompt attention—at 50 N. 18th street, Philadelphia 3, Pennsylvania, LOcust 4-4800.

Railroading



After Hours with

Jim Lyne

HOW ABOUT THE HANDCARS?—I thought I'd get a lot of mail when I asked whether any of the old-style back-busting handcars were still around—the kind with friction bearings (and I do mean friction). But all I got was one letter—from my old friend Wilson Dizard, and it wasn't about the back-busters either, but the 3-wheel hand-powered velocipedes, which were strictly a luxury vehicle—to which in his youth Wilson was addicted for pleasure (as well as business) travel.

Surely not all section hands are now riding in motor-powered buggies. If so, they can't know how lucky they are.

COMPETITION IN N.Z.—In New Zealand (according to the N.Z. Railways Bulletin), movement of freight by highway is restricted to hauls of 30, 50 or 75 miles (depending on the class of freight involved). The justification for the restriction (says the Bulletin) lies in the low rates the government railways are thus able to make on low-value commodities.

"If high-rated traffic were diverted from railways to road transport," the Bulletin says, "a disproportionate increase would be inevitable in the charges for low-rated

traffic, with dire results for the economy of the country as a whole."

Those competitors of the railroads in this country (and some shippers), who don't seem to care whether U.S. railroads drift into public ownership or not, might find it profitable to see what's going on where government owns the railroads.

IF IT'S THE RR'S IT'S MINE—An application of this familiar axiom was reported in a recent issue of the "Pittsburgh Press." A fellow noted a pile of old rails near a tunnel entrance on a PRR branch line. He moved in with a blow torch and proceeded to cut up some of the rails, which he sold to a scrap dealer for \$526. He told the judge he didn't think he was doing anything illegal. The jurist, a sympathetic fellow, let him off with the obligation to repay the railroad over a two-year period.

This enterprising citizen had neglected to observe the second part of the adage about railroad property being that of the neighborhood. This part, as I recall, suggested that the right of the citizen to railroad property should be exercised, preferably, when the company cops were known to be at the other end of the division.

LAST

...but not least



INTERNATIONAL *Cabooses* SAVE YOU MONEY

If you want something special...go to a specialist. That's what we are in the caboose business. We build more crew comfort into them. You get more crew efficiency because of them. Most of America's leading railroads have proved this fact, too. International cabooses are far better built. They cost less per year to maintain. They stay in service long after the average caboose has journeyed to the junk yard. In other words, whether you choose our standard models—or write your own specs—if it bears the name INTERNATIONAL, you'll get your money's worth...and more...in service and satisfaction. Interested? Write International Car Division, 2485 Walden Ave., Buffalo 25, N. Y.



INTERNATIONAL CAR DIVISION



A Subsidiary of Ryder System, Inc.

Letters from Readers

'As LCL Goes . . .'

Louisville, Ky.

To the Editor:

I enjoyed reading the article "China Maker Needs Low Rates" [RA, Feb. 27, p. 22], and I am in complete agreement with Mr. Carter's needs insofar as good LCL service and low rates are concerned.

The Syracuse China Corp. is just "one among many" moving their raw materials in carload lots by rail and then being dependent upon all types of transportation for distribution of their low-valued commodities which are shipped in small quantities to distributors throughout the United States.

Many railroads do not accept the slogan "As LCL goes, so go carloads."

The operations of the Syracuse China Corp. are typical of many others in that either the outbound or the inbound product moves in large quantities, and then each carload shipment—or at least some portion of it—ultimately winds up as an LCL and LTL shipment. A few railroads are mindful of this condition and accept the aforementioned slogan; they not only provide good carload service, but are doing everything possible to improve the service of LCL.

I am reminded of the parable of the talents—a few railroads make the best of their abilities, opportunities and facilities in providing an adequate LCL service, while many others are content to postpone any improvements in LCL until conditions are ideal. The statement expressed by an important railroad official in this article bears out this viewpoint.

If the railroads as a group would take advantage of their present opportunities and strive to render a good LCL service, they would soon find that this effort would pay dividends in their increased carload business. Their lethargy might be dispelled by the following: "Don't wait to do something tomorrow which should be developed today."

R. J. Tyler, President
National Small Shipments
Traffic Conference Inc.

Standard Commodity Classification Proposed

A standard transportation commodity classification was proposed at the recent Railway Systems and Management Association seminar on Data for Marketing Decision-Making. Robert N. Hampton, staff assistant to the comptroller, Chesapeake & Ohio, who outlined the proposal for a single, uniform

commodity listing, said that the adoption of such a system would be "the first step toward automatic billing."

The C&O proposal aims at developing a seven-digit code structure using the Standard Industrial Classification as a framework coupled with the Uniform Rail Freight Classification for rate identification. A five-digit code would tie all commodities to their proper SIC listing and two additional digits would be added to relate each with its UFC rating.

Mr. Hampton said that SIC and UFC are both available, and that using them as a framework would permit work to begin at once toward eliminating intermodal definitive differences in tariffs. He said that the standard codification of commodities as outlined in his proposal would "make internal data compatible with data published externally, improve market research activities, provide a tool for tariff simplification and a start toward a national census of transportation."

'Information Gap'

Seminar Chairman J. J. Ostrow, director of research, New York Central, said that railroad marketing research is utilizing available data, both internal and external, to increase profits by increasing the rails' share of markets and organizing sales efforts to get maximum benefit out of rate-making decisions. He said that basic requirements are not being met by available data and that this "information gap" is preventing railroads from taking the lead in rate making and adopting intelligent, aggressive pricing policies.

"Railroads are at the bottom of the ladder in marketing information," declared R. R. Latimer, assistant manager, freight sales development, Canadian National. He said that information generated by railroads' basic reporting systems is "virtually useless" and because of it railroads tend to wait for the competition to propose price changes and "take defensive action in pricing decisions."

Mr. Latimer called for a census of transportation. He cited the need for "good, usable information on distribution of commodities. For the long range we need to establish a distribution pattern by weight so that we can fill unused capacity or redesign the freight car to eliminate its unused capacity."

He said that more accurate cost figures are needed where "alternative choice decisions" arise in rate making. "Price yourself so that when the shipping public makes an intelligent choice it is an intelligent choice for the carrier," was the advice Mr. Latimer gave the RSMA seminar.



Which Teletype printer is best for you?

Which of these Teletype Model 28 page printers is best for your message and data communications needs? Each will perform the basic function of all Teletype equipment—to flash information over long or short distances. But in addition, each has varying capabilities to meet the requirements of the individual user:

Send-receive page printer in console—probably Teletype's most familiar product; for sending as well as receiving page copy.

Receive-only page printer in console—the same machine, but without a keyboard. For use where information need only be received, not sent. No operator is required.

Table model—with or without keyboard . . . similar model available for rack mounting.

Combination set—a complete message center in one compact cabinet. In addition to page printer and keyboard, it contains facilities for preparing punched tape and for transmitting and receiving via tape.

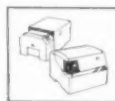
All of these Teletype Model 28 page printers feature the Stunt Box, a built-in "programming" mechanism that will inexpensively handle a wide variety of remote control and switching tasks such as automatic station selection. All models can be supplied with sprocket-feed and tabulating mechanisms for use with multi-copy business forms. All are available, too, in a choice of cabinet colors to match office decor.

Teletype Corporation manufactures this equipment for the Bell System and others who require the utmost reliability from their data communications. Teletype equipment can be used with Data-Phone and other communications services.

Free Model 28 Line folder. Write Dept. 81-C, 5555 Touhy Avenue, Skokie, Illinois

TELETYPE

CORPORATION • SUBSIDIARY OF Western Electric Company INC.



Tape Reader and
Typing Tape Punch



Send-Receive
Page Printer



Automatic Send-
Receive Set

Hennessy AR 12 Dust Guard Oil Seal



The new Hennessy AR 12 Dust Guard Oil Seal is the first completely self-aligning seal for journal boxes. It's design effectively keeps dust and moisture out of the box and establishes a highly efficient seal against journal oil loss. Top quality construction and rugged design assures

efficient operation in between wheel changes regardless of time interval. Even after extensive testing in actual operation the Hennessy AR 12 Dust Guard Oil Seal showed no visible signs of wear. Write for more information today. Bulletin No. 100.

HENNESSY
LUBRICATOR

HENNESSY LUBRICATOR CO., INC.
CHAMBERSBURG • PENNSYLVANIA

AAR President Daniel P. Loomis said that "unequal government transport policies have opened up a transport gap that can prove as dangerous to America as the alleged missile gap." Mr. Loomis conceded that "all general carriers are in trouble," but he emphasized that "railroads are among the worst off, suffering intensely from diverted traffic, underused plant, subsistence-level earnings and heavy unemployment."

"The cumulative downdrag on the whole nation from these losses totals into the billions of dollars," Mr. Loomis also said. And he asserted that the railroads "are tired of being the punching bag for destructive government policies and are determined to obtain equal treatment."

This determination is what the board has now added to the legislative program which was framed some time ago. The determination was pointed up previously in like actions of eastern railroads and the New England lines. All of the AAR proposals were in both of these regional programs which also had items of local interest. Press support of the industry's call for equal treatment is interpreted by the AAR as a "most hopeful sign" because the "informed public" has thus become "a huge reservoir of awareness of the transport problem—and of demand that steps be taken to solve it."

The legislative program to implement the AAR declaration calls for adequate user charges on publicly-provided transport facilities; tax legislation to end discriminatory assessments, repeal the levy on fares, shorten depreciation terms for railroad property and permit accumulation of construction reserve funds; repeal or extension to railroads of Interstate Commerce Act provisions which leave trucking of agricultural products and water transportation of commodities in bulk free of regulation; and diversification, which means more freedom for railroads to operate other modes of transport.

As to user charges, the specific recommendation is that Congress establish a National User Charge Commission to fix and collect fair charges for the commercial use of all transportation facilities provided in whole or in part through public funds.

The AAR has material indicating that federal, state and local governments have spent \$162 billion of public funds to date to provide highways, airways and airports and inland waterways. More than one-third of this has been spent since 1935. While the AAR proposal does not deal with transport facilities provided by state and local

INEQUALITIES IN TRANSPORT REGULATION



ALL RAIL TRAFFIC is subject to federal regulation—compared with one-third of motor carrier traffic and one-tenth of waterway traffic.



THE RAILROAD TAX LOAD

Comparison of Revenues Paid Out in Property Taxes — 1959

RAILROADS PAID nearly 13 times as much in 1959 property taxes as airlines and truckers; and eight times as much as water carriers.

governments, the association suggests the federal collections as "the logical first step."

To end discriminatory tax assessments on railroad property, the AAR calls for federal legislation to outlaw such local tax inequities as undue burdens on interstate commerce. "Even more drastic action is needed to deal with the basic problem of a heavily-taxed rail line competing with tax-free public facilities," the AAR also says, calling attention to a staff report to the Senate's Interstate Commerce Committee (the so-called Doyle report) which urged gradual exemption of rail and pipeline rights-of-way from state property taxation.

The Doyle report, which came from a special study group headed by General

John P. Doyle, also recommended repeal of the 10% fare tax as a means of strengthening the nation's public carrier system. The AAR recalls this, and also the ICC's recommendation that the levy be repealed to alleviate railroad passenger-service losses which total about \$500 million a year.

As to depreciation-tax policy, the AAR points out that present "unrealistic write-offs" require railroads to use depreciation allowances from several old freight cars to buy a single new one. It is also recalled that in 1955, the last year of the five-year amortization program, railroads placed orders for 157,407 new freight cars.

Specific requests here are for amendments to the income-tax law to fix maximum depreciation terms of 15 years for

railroad rolling stock and 20 years for other property. The construction-reserve proposal would also amend the income-tax law to permit railroads to accumulate tax-deductible funds which could be spent within five years for rolling stock or other property. The legislation sought would provide "only tax deferral, not tax forgiveness," the AAR emphasizes.

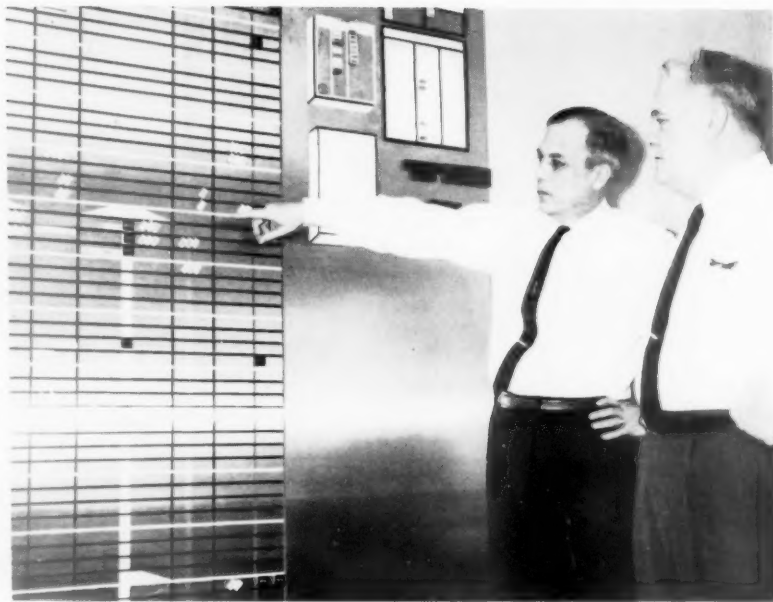
The proposal to repeal the agricultural and bulk-commodity exemptions or extend them to railroads is a bid for nothing more than "equality," the AAR explains. It emphasizes that adoption of the recommendation would give railroads no preferential treatment.

The "diversification" proposal is a call for repeal of those provisions of the Interstate Commerce Act and Civil Aeronautics Act which have been interpreted by regulatory agencies in such a way as to prohibit or greatly restrict the operation by railroads of highway, water and air transport services. In support of this proposal, the AAR points out that, in industry generally, diversification "has long been recognized as sound business policy." The association also says:

"The rapid growth of private carriage indicates a degree of shipper dissatisfaction with present for-hire carrier operations. Private shippers will use common carriers only when assured of getting the coordinated service they want for less, or at least not more, than the cost of providing it in their own vehicles. The answer to these shipper needs lies in true transportation companies, offering service by any transport means or any combination of means. . . . If the present situation persists, common carriage will eventually be used only by those unable to develop their own transportation—and this traffic will not be enough to keep general for-hire transportation in strength and health."

While promoting this legislative program, the AAR anticipates that the railroads may have to fight to hold the rate-making freedom which the 1958 Transportation Act gave them and other carriers regulated by the ICC. The association finds that this "necessary new standard of rate-making" is under "rising attack" from truckers and water carriers who "seem more interested in government protection of their traffic and relatively free status than in fair competition."

As to this, the AAR asserts that public policies must be kept flexible enough "to allow railroads or any other carrier to put into effect competitive rates wherever and whenever these rates promise, through added traffic, to decrease unit costs and increase net revenues."



ENGINE BOARD provides a quick rundown on system motive power distribution for R. J. Cripe (left), superintendent—transportation; and J. N. Sailor, manager—transportation.

Engine Board Is Time-Saver

One glance at a large, wall-mounted board in the Wabash offices in St. Louis is all that's needed to locate any diesel unit on the system roster and to determine if it's working or idle.

Wabash had the engine board installed (in an anteroom of the superintendent of transportation's office) last September as a supplement to the road's around-the-clock train desk operation. Since then, the 6 ft by 6 ft stainless steel board has presented an instant picture of motive power distribution. It's improved utilization of power—and it's been a help in scheduling shopping for periodic inspections.

Small magnetized blocks represent units on the board. Blocks are colored according to type and class of power (e.g., blue for freight diesels, gold for passenger units) and each block is marked with the number of the locomotive it represents.

Set straight up, the block stands for an engine working. Set at an angle, it represents an idle unit.

Lines dividing the board represent terminals; separate boxes denote shops, yards and engines in local freight service.

"With this board," Manager-Transportation J. N. Sailor comments, "we get maximum use out of our motive power—our engines don't stand still long."

Train supervisors manning the train

desk on a 24-hour basis keep the board up to date from train movement information channeled into the office from all over the system.

Use of the engine monitor has been a time-saver—one glance now gives the information that formerly had to be dug out of a ledger-type manual in an operation that could take 10 to 30 minutes (and still might not turn up the desired information).

The board also helps insure strict compliance with federal inspection regulations. After Wabash's mechanical department at Decatur, Ill., shops pinpoints the due date, engines scheduled for inspection are quickly located on the board and routed in for shopping. Separate boxes on the board, captioned Decatur Shop, Moberly and Montpelier, hold blocks representing units in for inspection or maintenance.

Rock Island Reconsiders Passenger-Train Cuts

Rock Island has taken "a fresh look at the situation" and is seeking to withdraw its petition for discontinuance and consolidation of two rush-hour and 28 off-peak suburban trains. A hearing on the request had been scheduled for March 30. Rock Island filed the petition with the Illinois Commerce Commission last November.

MARKET OUTLOOK *at a glance*

Carloadings Drop 1.7% Below Previous Week's

Loadings of revenue freight in the week ended March 11 totaled 492,582 cars, the Association of American Railroads announced on March 16. This was a decrease of 8,539 cars, or 1.7%, compared with the previous week; a decrease of 67,674 cars, or 12.1%, compared with the corresponding week last year; and a decrease of 103,598 cars, or 17.4%, compared with the equivalent 1959 week.

Loadings of revenue freight for the week ended March 4 totaled 501,121 cars; the summary, compiled by the Car Service Division, AAR, follows:

REVENUE FREIGHT CARLOADINGS			
For the week ended Saturday, March 4			
District	1961	1960	1959
Eastern	72,892	88,430	94,261
Allegheny	80,184	104,009	112,013
Poconchos	38,361	47,276	49,876
Southern	102,893	103,571	112,416
Northwestern	57,520	62,258	64,169
Central Western	104,254	107,105	113,535
Southwestern	45,017	45,350	49,205
Total Western	206,791	214,713	226,909
Districts	206,791	214,713	226,909
Total All Roads	501,121	557,999	595,475
Commodities:			
Grain and grain products	57,852	46,527	51,813
Livestock	2,884	3,880	4,098
Coal	80,274	99,006	103,051
Coke	5,308	11,917	10,961
Forest Products	35,859	37,734	39,107
Ore	14,445	19,039	17,093
Merchandise incl.	32,137	38,402	45,081
Miscellaneous	272,362	301,494	324,271
March 4	501,121	557,999	595,475
Feb. 25	468,482	553,882	575,334
Feb. 18	502,334	570,099	583,741
Feb. 11	486,347	580,150	567,188
Feb. 4	497,630	587,981	565,752
Cumulative total, 9 weeks	4,377,769	5,236,307	5,162,704

PIGGYBACK CARLOADINGS.

—U. S. piggyback loadings for the week ended March 4 totaled 11,069 cars, compared with 10,274 for the corresponding 1960 week. Loadings for 1961 up to March 4 totaled 90,188 cars, compared with 90,143 for the corresponding period of 1960.

IN CANADA.—Carloadings for the seven-day period ended Feb. 28 totaled 57,020 cars, compared with 57,976 for the previous seven-day period, according to the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada		
Feb. 28, 1961	57,020	25,694
Feb. 28, 1960	76,790	35,583
Cumulative Totals		
Feb. 28, 1961	484,972	208,499
Feb. 28, 1960	544,611	251,863

March 20, 1961 RAILWAY AGE

New Equipment

FREIGHT-TRAIN CARS

► **Pennsylvania.**—Will rehabilitate 2,019 cars and repair 6,440 others during 1961 at a total estimated cost of \$7,500,000. All work will be done at the road's Hollidaysburg, Pa., shop near Altoona. The \$5,000,000 rehabilitation program includes 1,000 hopper cars, 595 box cars, 100 covered hopper cars, 60 gondolas carrying containers, 54 double-deck livestock cars and 210 cabooses. The \$2,500,000 repair program will include mostly hopper and box cars, with some gondolas and flats. PRR earlier announced plans for building 3,529 new cars at a total cost of \$29,000,000 (RA, Nov. 28, 1960, p. 79).

PASSENGER-TRAIN CARS

► **Argentina.**—Invites bids until June 6 for 90 subway cars. Specifications may be obtained from Transportes de Buenos Aires, Sala de Apertura de Licitaciones, Bartolome Mitre 3345, Buenos Aires.

► **Westinghouse Electric Corp.**—Was awarded a contract by St. Louis Car Co. to provide propulsion equipment for 28 subway cars for the New York City Transit Authority. The order is in addition to a contract previously awarded Westinghouse for 130 sets of propulsion equipment for the New York subway system. Total order for 158 sets is valued at more than \$6,000,000.

LOCOMOTIVES

► **Colombia.**—Is inquiring for diesel locomotives, will state quantity and specifications upon receipt of inquiries by Ferrocarril de Antioquia, Plaza de Cisneros, Medellin.

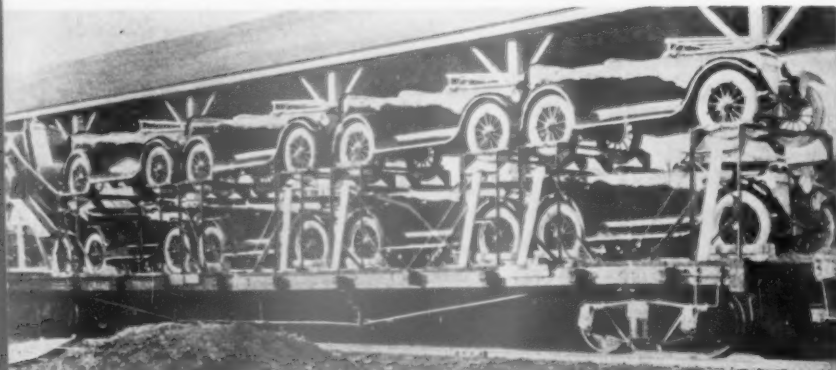
► **Pakistan.**—Plans to spend an estimated \$21,000,000 in a North Western Railway expansion program that calls for purchase of 25 locomotives and 2,500 cars of unspecified type. Signaling improvements are also planned.

New Facilities

► **Canadian Pacific (Western Lines).**—Major 1961 projects include completion of a two-year program to construct additional track facilities at Winnipeg, Man., at a cost of \$200,000; construction of Merchandise Services terminal facilities at Calgary and Edmonton, Alta., costing \$832,000 and \$486,000 respectively; upgrading 166.7 miles on the Lake Windermere Subdivision between Colvalli and Golden, B.C., at a cost of \$1,431,000. CP will also continue its tunnel relining program on the Pacific Region and has allocated \$528,000 for all tunnel projects on this region during 1961.

► **Indian Railways.**—Invites bids until July 15 for supply and erection of approximately 155 track miles of 25 kilovolt, a.c., 50 cycle, single phase traction overhead equipment. Copies of the tender documents may be obtained from the General Manager and Chief Engineer, Indian Railways, Railway Electrification, 235 Lower Circular Road, Calcutta 20.

Teamsters Step Up Attack on



No Complaints Then

This "bi-level," photographed in 1923, was one of a number of such cars operated by Grand Trunk Western. GTW eventually dropped the service for lack of a return movement for the rudimentary rack cars—thus leaving the bi-level for discovery in a later era.

► **The Story at a Glance:** The railroad industry may be forced into a pitched battle on a variety of fronts, coast to coast, in order to protect the hard-won gains piggyback has produced.

Teamster attacks on piggyback are continuing—with an apparent shift in emphasis from job loss to tax loss. Federal, state and local governments "and taxpayers lose when railroads pirate trucking industry," trumpets a recent union pamphlet.

In Washington, Teamster-inspired anti-piggyback letters are pouring into Congress. In the Far West, legislatures in at least two states are already studying measures which would place special taxes on piggyback operations. And in the Midwest—where the powerful Teamster organization has already won a contract provision by which a \$5-per-trailer payment may be exacted from piggyback motor carriers—state legislatures may also begin probing taxing possibilities.

Rail management and labor leaders haven't found too many opportunities to line up shoulder to shoulder publicly in recent months—but the basic unity of interest is there, and it's showing up strongly as a result of the sudden threat posed by Teamster attacks on piggyback and on rail rate-making.

Accusations, for example, that the railroads are pirating the automobile business away from the motor carriers don't sit well with rail labor chiefs who have spent much of their union careers watching jobs disappear as the railroads lost business to the truckers. Recapture of the automobile business, RLEA Chairman George E. Leighty declared recently, has come through development of a more economical vehicle—

the multi-level car. And "if it be piracy, let's have more of it."

The attack on competitive rate-making—piggyback and non-piggyback, as in the case of many auto movements—comes primarily from James R. Hoffa's Teamster organization. But the threat to piggyback itself is broader. State legislators have discovered TOFC as a possible source of tax revenue.

- In Arizona, legislators are studying a proposal to place a tax on trailers shipped into the state by rail and delivered over the highway. As interpreted by John W. Turner, national legislative representative of the BLE, the proposal could, in effect, tax the railroads three times as much in license and registration fees for each trailer as trucking companies are taxed.

- In Oregon, a bill introduced at the request of a 1959 Legislative Interim Tax Study Committee would make trailers used in piggyback service subject to a personal property tax. Pro-tax elements in the state contend that highway fund revenues may be threatened as piggyback grows, since trailers moved in TOFC operations escape fuel and weight-mile taxation and contribute only through plate fees. The Portland Oregonian has called the tax bill "an opening move towards solution of a difficult tax problem. Perhaps the arguments that will be heard for and against it will show how the state can maintain its highway revenues despite the seemingly inevitable piggyback revolution." (Legislative representatives of two rail brotherhoods have already testified in opposition to the proposal.)

Observers are expecting a similar tax measure to be introduced in Ohio. Michigan legislators are reported considering passage of an anti-piggyback resolution to be forwarded to Congress.

A high state official has been quoted as saying piggyback is discriminating against the trucking industry. And in Washington, focal point of the Teamster-backed campaign against piggyback and piggyback rates, letters are flooding into Congress—where at least one Congressman, Pennsylvania Republican James E. Van Zandt, isn't impressed and doesn't mind saying so.

As Rep. Van Zandt sees it, the Teamsters want to "deprive the public of one of the most promising transportation developments of our time."

Noting that the Teamster drive is aimed principally at the haulage of new automobiles on flat cars, the Congressman went on to say:

"I can remember, as I am sure many of you can, when virtually all new automobiles moved by railroad. Then came vast government expenditures for the construction of fine new highways and with these, the development of new type trucks and trailers capable of carrying several automobiles direct from factory loading ramps to the dealer's door. . . . The automobile companies turned to trucks, and the railroads lost virtually all of the new automobile traffic.

"Now the railroads have devised means of providing a still better service at lower cost. Piggybacking is proving itself not only in the movement of new automobiles, but also for a wide range of commodities. Its development particularly in the last few years has been little short of spectacular."

"Reckless" was the word Mr. Van Zandt used to describe Teamster charges that piggyback rates are unfair and that the ICC has shown pro-railroad bias in approving them. The "real purpose" of the Teamster campaign, he asserted, "is to require rail-

Railroads

Editors Afield

roads to maintain rates higher than necessary.

"I am not now and never will become a party to an effort to block progress in any field, especially in transportation," Mr. Van Zandt told Congress. "Nor will I be party to any attempt to subordinate the public welfare to narrow interests, and I am confident that the answer of my colleagues in this body and in the Senate will be the same."

Meanwhile, a Teamster publication began playing heavily and at length on the theme of tax loss. Bluntly, the union declares that "the shift to piggyback means disaster to our highway program."

According to the union, "our legislators—state and federal—should realize the harmful effects of this great loss of tax revenues on state and local areas and on the progress of our roadbuilding program. The tax revenue losses indicated . . . can strangle our national economy, adversely affect economic growth and cripple our national defense effort through failure to keep the highway program going."

And the attack concludes: "Voices must be raised in protest to the policies which create these adverse conditions; which cripple a mighty industry; which cost millions of dollars in tax revenue loss; which hurt small businesses thriving on a going trucking industry and which shift the tax burden to Mr. and Mrs. America."

"This 'dangerous combination'—the railroads and the ICC—MUST BE STOPPED."

The AAR has already noted that "the argument that reduced heavy truck use of highways would mean a serious loss of tax revenue to federal, state and local governments is clearly without merit. Savings in the cost of maintaining highways and in extension of their useful life could well offset and more any loss of tax revenue that might result from a reduction in the use of highways by heavy trucks." Moreover, in answer to Teamster statements that the trucking industry "is paying more than its share of the cost of the Federal Highway program," the AAR has cited studies by the Bureau of Public Roads which indicate that heavier trucks and combinations "should be paying considerably more in relation to the payments by the lighter vehicle group than they do now." President Kennedy's highway-financing plan, calling for increases in truck taxes, indicates his acceptance of that viewpoint.

St. Louis, Mo.—No major equipment development in recent times seems to have captured the imagination the way the bi-level and tri-level car has. It's strictly a one-commodity car now—but sharp-eyed traffic men are already looking at possible other applications of the multi-level design to bring additional profitable traffic back to the rails.

One good possibility: Development of a way to move pleasure boats on bi-level or tri-level flats. At least two western roads and several boat manufacturers are showing keen interest. Experimental runs may start soon on one line (Frisco, which pioneered movement of new automobiles on multi-level equipment.)

Boats could perhaps be loaded on dollies, then cradled and tied down with gear similar to that now used for automobiles and trucks. Load factors could be extremely high. Compact cars load 10 to a bi-level, 15 to a tri-level. One preliminary study of boat movements by another western road indicates loads could run as high as 40 to 45 units per car.

Still another possibility: Adaptation of the multi-levels for containerization.

Even the usual bugaboo of such specialized equipment—difficulty of securing a return move—has been a minor, or even non-existent, factor where the multi-levels are concerned. Equipment is being utilized to the maximum in one-way hauls—Katy, for example, gets a four-day turn on its rack cars between Kansas City and Houston, where all multi-levels are unloaded and sent back north the same day they arrive. Top traffic men doubt seri-

ously that much could be gained by holding the equipment for a return move—unless it could be a no-delay proposition or unless a road had a surplus of multi-levels (which isn't the case anywhere today).

Frisco, with 130 Pullman-Standard tri-levels and 16 bi-level rack cars, has authorized acquisition of another 115 cars—75 tri- and 40 bi-levels. Katy, with 48 triple-deck and 12 double-deck units, is ready to supplement its fleet as business picks up. Frisco hasn't moved a load of automobiles piggyback since last December—but Katy is staying with the dual-method operation, shipping primarily by multi-level out of Kansas City and by trailer-on-flat-car out of St. Louis.

With cutbacks in production by the automobile companies, auto loadings (like most carloadings) aren't as high as they might be. But a quick check around the St. Louis railroads shows optimism beating pessimism by a sizeable margin. And it's optimism about traffic levels generally, not just about the auto-truck business.

Perhaps significantly, forecasts of an upturn are being based not on what the economists say but on what shippers and receivers in the territory are saying. And while the economists don't look for much pickup before the second half 1961, at least one of the St. Louis roads is looking for increased activity to start showing up by late spring.

Merger notes: St. Louis may be the last major railroad center to see its home roads affected by the spread of the merger movement. Thus far, only Wabash is spoken for—by N&W, which plans to merge Nickel Plate and lease Wabash.

—Gus Welty



COMPACT CARS run 10 to a bi-level—but Frisco gets 12 International Harvester Scout trucks neatly stowed away on one of its 16 double-deck cars. Acquisition of 115 more rack cars has been authorized.



Glenn A. Squibb
B&LE



M. A. O'Brien
GTW



William V. Burke
Southern



Gordon Huffines
IRJ



John E. Angst
GATC



Henry V. Bootes
ACF

People in the News

BANGOR & AROOSTOOK.—E. R. Jennison, manager, Research Bureau, Bangor, Me., has resigned to become associated with Wyer, Dick & Co., transportation consultants, Upper Montclair, N. J. Owen H. Bridgham succeeds Mr. Jennison as manager, Research Bureau of the B&A. E. Joseph Cross, of the highway division, transferred to the Research Bureau.

BESSEMER & LAKE ERIE.—Glenn A. Squibb appointed general traffic manager, Pittsburgh, Pa. For the past two years Mr. Squibb has been assistant chief engineer—transportation, Quebec Cartier Mining Co. at Montreal and Port Cartier, Quebec.

John E. Moerke named supervisor labor relations.

BURLINGTON.—L. J. Ernst, general agent, St. Louis, appointed general freight agent there, succeeding F. L. Taylor, retired.

F. J. Dillon, auditor of ticket accounts, appointed assistant to general auditor, Chicago. H. W. Dehning, auditor of freight accounts, named auditor of revenues, Chicago.

CENTRAL OF GEORGIA.—H. M. Williams, Jr., division freight agent, Columbus, Ga., promoted to assistant general freight agent, Savannah. H. B. Meadows, commercial agent, Columbus, appointed division freight agent there.

CHESAPEAKE & OHIO.—Donald D. Stanley, freight service representative, Pittsburgh, Pa., appointed general agent, Memphis, Tenn., succeeding the late Frank G. Browder, Jr.

GRAND TRUNK WESTERN.—M. A. O'Brien, assistant freight traffic manager, promoted to freight sales manager, Detroit. Milton J. Sefcik and Gordon M. Newby, general freight agents, appointed assistant freight sales managers, Detroit. Richard J. Moreau, assistant general agent, named traffic analyst, Detroit. David Kantor, assistant to the general freight traffic manager, U.S. lines of the Canadian National, advanced to assistant freight sales manager, GTW, Chicago.

ILLINOIS CENTRAL.—O. B. Joy, C. M. Crawford, J. F. Roberts, N. J. Sedlacek and L. S. Graves appointed labor relations staff officers, Chicago.

INTERSTATE COMMERCE COMMISSION.—James J. Williams, assistant director, Bureau of Rates and Practices, Washington, D.C., retired March 9.

KANSAS CITY SOUTHERN.—D. K. Owen ap-

pointed superintendent of safety and transportation rules examiner, Shreveport, La. Otho Gantt named acting assistant superintendent of terminals, Port Arthur, Tex.

LOUISVILLE & NASHVILLE.—James F. Filgas appointed senior traffic analyst, Louisville, Ky. He was formerly a teaching associate in the transportation department of Indiana University, Bloomington, Ind.

MAINE CENTRAL.—Clifford P. Hawkes, Jr., disbursements statistician, promoted to general accountant, Portland, Me. Stephens J. Conley, clerk, accounting department, named general statistician.

MILWAUKEE.—Milton M. Wolverton, general freight agent, Duluth, Minn., named assistant traffic manager, Minneapolis. John E. Shannon, division freight agent, Chicago, appointed general agent, Duluth. Paul A. Larson, general freight agent, Chicago, appointed traffic manager, southeast region, St. Louis. Harold E. Ridenour, general agent, St. Louis, transferred to Denver, to replace Harry L. Holmes, retired. Mr. Ridenour's successor is V. Stephen Rawson, division freight agent, Minneapolis.

Maurice P. Burns, general agent, passenger department, Seattle, Wash., appointed assistant general passenger agent, Chicago.

MISSISSIPPI CENTRAL.—Riley E. Davis, general freight agent, appointed traffic manager, Hattiesburg, Miss., succeeding LeRoy Morris, who retired Feb. 28. J. S. Montgomery, general freight agent, named assistant traffic manager.

MISSOURI PACIFIC.—Walter G. Rathert, assistant general purchasing agent, appointed manager of purchases, and his former position abolished. Position of general purchasing agent, formerly held by Harold M. Hoffmeister (RA, Feb. 6, p. 27), abolished.

Roy J. McDermott, general passenger traffic manager, retires March 31.

Malory McDonald, public relations representative, Houston, Tex., retires March 31.

NORTHERN ALBERTA.—R.D.C. Comrie appointed master mechanic, Edmonton, Alta., succeeding the late A. Witherspoon. Abolished position of road foreman of engines.

NORTHERN PACIFIC.—K. A. Knutson, traveling freight and passenger agent, Columbia Basin district, Warden, Wash., named general agent, Butte, Mont.

PENNSYLVANIA.—R. J. Prindle appointed supervisor-car equipment, Chicago.

ROCK ISLAND.—Oscar W. Limestall, general manager, El Reno, Okla., appointed assistant to the president, Chicago, replacing Ernest E. Foulks, named assistant vice president. George J. Mulick, acting general manager, El Reno, promoted to general manager and chief of the Second Operating District there. Arthur E. Anderson, assistant superintendent, Liberal, Kan., advanced to superintendent, Arkansas division, Little Rock, Ark., succeeding Robert W. Anderson, promoted to assistant general manager, El Reno. Robert H. Anderson, general superintendent of transportation, Chicago, named assistant general manager, Des Moines, Iowa. William F. Thompson, superintendent, Western division, Fairbury, Neb., transferred to the Southern division, El Reno. Bradford L. Schoech, assistant superintendent, Des Moines, succeeds Mr. Thompson.

John M. Lloyd, acting vice president—operations, elected vice president—operations.

SANTA FE.—Paul D. Bacon, division freight and passenger agent, El Paso, Tex., appointed general agent, Boston, Mass., succeeding L. J. Welter, resigned.

SOUTHERN.—William V. Burke appointed to the newly created post of assistant vice president, Washington, D.C., in charge of co-ordinating rail-highway or piggyback operations (RA, March 13, p. 52).

SOUTHERN PACIFIC.—Robert E. Wynkoop named general agent, Washington, D.C., to succeed P. R. Conaghan, retired. Hammond F. Brown appointed district freight and passenger agent, Washington. J. L. McCargar, assistant general freight agent, San Francisco, retired.

TEXAS & NEW ORLEANS.—H. P. Chandler, senior assistant tax commissioner, appointed tax commissioner. H. E. Buse, assistant valuation engineer, appointed valuation engineer. E. L. Keyser, assistant tax commissioner, succeeds Mr. Chandler, and in turn is replaced by H. W. Carder, special assistant to tax commissioner. M. J. Hebert, assistant engineer in the valuation department, named senior assistant valuation engineer. E. F. Fisher, senior land appraiser in the real estate department, appointed valuation engineer.

UNION.—Walter E. Johnston appointed secretary and auditor, Memphis, Tenn., succeeding Charles T. Pennebaker, retired (RA, March 6, p. 43).

UNION PACIFIC.—Lauren A. Fisher, industrial agent, appointed general industrial agent, Portland, Ore.

WABASH.—Robert L. Fehlber appointed as-



John T. Degman
Chipman



Charles F. Garney
Mobile

Assistant traffic manager-rates, St. Louis, R. P. Collingwood named superintendent stations-motor truck service, St. Louis.

Supply Trade

Gordon Huffines, former editor of *Railway Progress*, presently associate editor, *Whaley-Eaton News Letters*, Washington, D. C., has been appointed editor of *International Railway Journal*, a Simmons-Boardman monthly magazine published in The Hague, Holland. Mr. Huffines, who succeeds **David W. Beadle**, will assume his new duties April 1. He is a graduate of the University of North Carolina and a former Washington correspondent.

John E. Angst has been appointed general manager of the freight car division, **General American Transportation Corp.** He was formerly vice president of **ACF Industries'** car division at New York.

Henry V. Bootes, general manager of Shippers' Car Line division of **ACF Industries, Inc.**, has been elected a vice president of the corporation. Mr. Bootes will continue in full charge of Shippers' Car Line as vice president of ACF Industries and general manager of Shippers. The appointive titles of division president and division vice president have been eliminated in all the operating divisions. Each former division vice president now holds the title of director of his respective activities, without change in responsibility. Key Shippers' Car Line executives with new titles but with unchanged responsibilities are **J. S. Carlson**, director of sales; **R. S. Slater**, New York district sales manager, and **T. F. Ellis**, trip fleet manager. Other newly elected ACF vice presidents, who will continue to direct operations of their respective divisions as general managers, are: **J. S. Downs**, W-K-M division, Houston, Tex.; **William J. Jackel**, Albuquerque division; **Kenneth F. Miller**, Carter Carburetor division, St. Louis, and **George B. Shaw**, ACF Electronics division, Riverdale, Md.

John T. Degman has been appointed manager of railroad sales of the Chicago district of **Chipman Chemical Co.** (RA, Feb. 20, p. 42). **John M. Marsh** has been appointed district representative for railroad sales in the Pacific Northwest, Portland, Ore.

Charles F. Garney has been appointed manager of railroad sales, national accounts department, **Mobile Oil Co.** at Chicago. Mr. Garney was formerly chief engineer, commercial department, Chicago division.

Harry H. Chapman appointed manager of transportation sales, **Manufacturers Division, Owens-Corning Fiberglass Corp.**

Norman J. Kveton has been appointed director of industrial relations, **Stanray Corp.** He was formerly manager of industrial relations, **Standard Railway Equipment Division.**

Edward S. Cisco, assistant chief product engineer, **Standard Railway Equipment Division of Stanray Corp.**, has been appointed chief product engineer, succeeding **James S. Swann**. **Parker J. Lahey**, mechanical engineer, succeeds Mr. Cisco. **Lou Takacs** has been named chief manufacturing engineer, to replace **L. L. Markel**. **W. E. Lannin** appointed methods engineer and **J. W. Watt** named plant engineer.

Peter Catalanotto has been appointed chemical and sales engineer, **Magnus Chemical Co.**, Garwood, N. J.

Frederick G. Jaicks has been named vice president of **Inland Steel Co.** Mr. Jaicks has been general manager of the company's Indiana Harbor Works, East Chicago, Ind., and will continue in this capacity, in addition to assuming the responsibilities of **F. M. Rich**, resigning as vice president in charge of steel manufacturing.

William W. Smith has been named manager of engineering and development, **Nickel-Alkaline Battery Division, Electric Storage Battery Co.**, West Orange, N.J., succeeding **J. Donald Moulton**, retired.

James E. Parks has been appointed director of marketing research and manpower development of **Westinghouse Air Brake Co.** Dr. Parks was formerly associate professor of industrial management, **Purdue University.**

Coates F. Bateman has been elected executive vice president, **Symington Wayne Corp.** Mr. Bateman was previously vice president and general manager of the Wayne division of the corporation.

David B. Harrison and **John W. Storer** have been appointed vice presidents of the **Osmose Wood Preserving Co. of America.**

Two new branch offices have been established by the **Okonite Co.** **James F. Angle**, Rocky Mountain district manager, will be in charge of the new office in the Enterprises Building, 2829 East 2nd Avenue, Denver 6, Colo. Mr. Angle will continue to supervise the Salt Lake City office also. **John P. Oblinger**, who formerly served the West Virginia area from Bluefield, Va., is now located at the new office at 1799 Huber Road, Charleston 4, W. Va.

C. R. Watson appointed manager field operations, **Leonard J. Simons Co.** Headquarters of the company have been moved from 1950 River Road, Melrose Park, Ill., to 8501 S. Kedzie Avenue, Chicago 52.

Jack McAninch has been appointed sales representative, Houston office, **L. B. Foster Co.**

Josef H. Buerger, Jr., has been appointed director of sales, **Crucible Steel Co. of America**, Pittsburgh, Pa. **Robert M. Simpson** has been appointed assistant director of sales, Pittsburgh, Pa. Mr. Simpson was formerly assistant general manager—field sales.

Edward F. Galvin has been appointed manager of field sales for **Simplex Wire & Cable Co.**, Cambridge, Mass. Mr. Galvin has been New England district manager since 1957 and previously had been manager of railroad sales.

James L. Kelly has been named vice president and general manager of **Youngstown Steel Car Corp.** of Niles, Ohio, succeeding **Arthur E. Wilkoff**, resigned. Mr. Kelly was formerly assistant general manager of **Freightliner Corp.**, Portland, Ore.

Central Container Co., a division of **Thrall Car Manufacturing Co.**, has been appointed midwestern distributor for the new Nest-A-Bin bulk container system, developed by the **Aircraft and Electronics Division of Kaiser Industries.** Oakland, Calif.

OBITUARY

Virgil C. Hawkes, 47, general accountant, **Maine Central**, Portland, Me., died suddenly Jan. 13 at his home in that city.

Robert A. Hendrie, 71, retired general superintendent of communications, **Missouri Pacific**, died March 8 in **Missouri Pacific Hospital**, St. Louis.

Dividends Declared

BEECH CREEK.—50¢, quarterly, payable April 1 to holders of record March 15.

SOUTHERN.—Mobile & Ohio stock trust certificates, \$2, semiannual, payable April 1 to holders of record March 15.

UNION PACIFIC.—common, 30¢, quarterly; 4% preferred, 20¢, semiannual, both payable April 1 to holders of record March 6.

WABASH.—4½% preferred, \$4.50, annually, payable April 21 to holders of record March 31.

WESTERN MARYLAND.—common, 45¢, quarterly; 7% 1st preferred, 70¢, quarterly; 5% preferred, 15¢ quarterly; 4% 2nd preferred, 40¢, quarterly, all payable March 30 to holders of record March 20.

WASH WINDOWS IN HALF THE TIME

- SAFER . . .
- EASIER . . .

more **ECONOMICALLY . . .**

with the **TUCKER "HIGH" WINDOW WASHER**

Includes these

EASY TO OPERATE features

- TELESCOPIC HANDLES** reach heights of 66 feet, reduce into sections for lower windows.
- VALVE CONTROLLED DISPENSER** delivers detergent or rinse water with fingertip ease.
- DETERGENT TABLETS** last full half day of continuous washing.
- SPECIAL NYLON BRUSHES** wash windows, edges and corners in one swipe.
- SAFER . . .** eliminates danger of costly accidents due to falling ladders.
- EASIER . . .** eliminates time consuming erection of scaffolding.
- ECONOMICAL . . .** one man now does the job it formerly took two men to do . . . and in half the time!

For Complete Details With Free Trial Offer, Address Dept. BB63

TUCKER MANUFACTURING CO.
Cedar Rapids, Iowa

You Ought To Know...

Equipment-leasing will be BAR's first diversification move. This was disclosed last week when Bangor & Aroostook Corp. directors approved acquisition of the Goal Credit Corp. of New York through an exchange of stock. BAR President W. Gordon Robertson said the acquisition offers an "ideal opportunity" to engage in equipment-leasing. He noted that railroads are faced with growing demands for special equipment and are turning "more and more to leasing as a means of acquiring it." BAR stockholders recently approved a corporate reorganization to permit diversification (RA, Dec. 19/26, 1959, p. 52).

A transistorized computer, IBM 7070, has gone into service at the Santa Fe's Topeka, Kan., general office. Initial use will be for car service, revenue accounting and payroll work.

N&W stockholders will vote May 11 on a consolidation proposal involving merger with the Nickel Plate and lease of the Wabash (RA, Dec. 5, 1959, p. 9). An earlier merger—with the Virginian—is credited with producing economies that helped N&W increase its 1960 net income despite a 2% decline in operating revenues. The operating ratio was reduced from 1959's 61.1% to 59.7% in 1960.

Canadian National proposes to lease or option nearly 3,000,000 acres of oil and gas rights in Saskatchewan to parties interested in exploration and development. The rights were obtained by CN from its predecessor, Canadian Northern Railway, which had obtained patents to 4,000,000 acres of land. Title to this land included mines and minerals with the exception of gold and silver. Most of the surface rights have been disposed of, but most mineral rights were retained.

Efforts to consolidate Chicago's downtown rail passenger terminals will be spearheaded by former Milwaukee Road President John P. Kiley, who has been appointed chairman of the city's Railroad Terminal Authority by Mayor Richard J. Daley following the resignation last week of former Chairman James A. Cunningham.

To score accuracy of bombing runs, the Strategic Air Command will use radar bomb-scoring equipment mounted on railroad cars parked on sidings. The first such operation will go into service near Milan, Tenn.

Opening of a regional data office in Cedar Rapids, Iowa, completes one phase of the Milwaukee's electronic data processing system program. First of the nine regional centers was opened in Minneapolis in June 1960, and similar installations were made later in Milwaukee, Wis.; Chicago, Ill.; Madison, Wis.; Sioux City, Iowa; Aberdeen, S. D.; Austin, Minn.; and Seattle, Wash. The offices are designed to simplify and improve rating and billing procedures and to provide data for the processing system when it is completed.

Abandonment of the entire 31.77-mile line of the Sanford & Eastern in York and Cumberland Counties, Me., has been authorized by the ICC. The line is controlled by its president, Samuel Pinsly, who also owns four other short lines.

Tax relief of \$1.2 million a year for the New Haven was approved last week by the Connecticut legislature. Connecticut was the first of four Northeastern states to act on proposals backed by the four governors that would relieve the railroad of a total of \$6.2 million in taxes annually. Rhode Island and New York were expected to approve similar proposals. Stiffest opposition to the plan so far has come in Massachusetts.

One passenger was killed and 196 passengers were injured in train and train-service accidents in January, according to the ICC's preliminary summary. Ten employees on duty were killed in January and 1,693 were injured.

High-level economic inquiry into transportation is being programmed by a special committee, named jointly by the National Bureau of Economic Research and university economists, to plan for a conference on the subject. Committee chairman is John R. Meyer of Harvard. Other members: W. J. Stenason (CPR), Marvin Hoffenberg (Committee for Economic Development), James Nelson (Washington State), Ernest Williams (Columbia), Leon Moses (Northwestern), George Borts (Brown).

Railroad survival, growth and prosperity under private enterprise depends on an energetic, three-way attack on the industry's problems, Soo Line President Leonard H. Murray declared last week. The goal: "An internal revitalization . . . so that railroaders can better appreciate and meet the standards by which their customers judge them"; continuation of the merger movement; and removal of archaic and unreasonable regulation, plus adoption of "more appropriate" work rules.

U.S. Freight Co. stockholders will be asked April 17 to approve issuance of \$15 million of debentures. Proceeds would be used to finance a fishyback operation among Caribbean ports (\$5 million); to purchase about 500 vehicles to expand truck rental operations (\$3 million); to expand, replace and repair the company's cartage and piggyback fleet (\$2.5 million); to purchase about 200 refrigerated trailers and equipment to extend the company's TOFC operations and to lease to carriers and shippers (\$2 million); and to add to working capital (\$2.5 million).

Chicago & North Western began hourly off-peak service on its Wisconsin Division March 6, adding 20 trains a week during non-rush hours. The "Shoppers Specials" were introduced on the Galena Division last November and are scheduled to begin operating on the Milwaukee Division in April, when all Chicago suburbs served by North Western will have hourly off-peak service to and from the Loop.

Are you getting your money's worth from your present Training Program?

Do you have an effective Management Development Program in effect now?

Read this new book of importance to all railroad executives!

MANAGEMENT DEVELOPMENT

In a Changing World

by George N. Daffern

The problem of executive development in American industries is now acute. It threatens the very future of some of these industries. How can top management best develop management talent equipped to contend successfully with the many problems of tomorrow's transportation?

This new book is addressed to the central problem behind this question. It is not offered as a final answer to a complex problem, but as an honest and sincere contribution to the thinking of corporate executives on a problem of common concern.

The author was for some time manager of the Canadian National Railways Personnel Section at Montreal and there devised a management training program which attracted particularly wide and favorable comment. Mr. Daffern is presently associated with a prominent management consulting firm. His special knowledge of the training problems of the railroads makes this volume of unique value to transportation personnel.

Here are challenging issues developed in Management Development in a Changing World:

- Is management "Know Why" or "Know How"?
- Should management training be slanted toward improvement of the individual? or improvement of the job being done?
- How can a performance appraisal procedure be organized?
- Why are some present practices of many industrial managements inadequate to cope with the demands of competition?
- On what basis do you select personnel for added responsibilities?
- Two significant actual case studies, what they show, how to benefit from them
- The reasons why management men want to change their jobs
- Performance appraisals among middle management in Railroading

This book has been sponsored by the Railway Progress Institute and was produced under the supervision of the Institute's Committee on Executive Development

Contents: Change, Competition and Bureaucracy, Management of People, Towards Better Management, Management Performance Appraisal, The Evolution of a Performance Appraisal Procedure: The Purpose, The Method, Results, Management Inventory, Conclusion, Appendices, Index.

121 pp., cloth bound, \$4.00 per copy.

Return the coupon for your personal copy

SIMMONS-BOARDMAN BOOKS

Dept. 3-20 RA
30 Church Street
New York 7, New York

Send a copy of MANAGEMENT DEVELOPMENT IN A CHANGING WORLD. \$4.00 herewith ☐ bill me ☐.

Name

Street

City, State

SAVE! Remit with order and we pay postage

CLASSIFIED ADVERTISEMENTS

FOR SALE railway equipment Used—As Is—Reconditioned

ALL-STEEL AIR DUMP CARS
(Drop-Door Type)
30 Cu. Yd.—50-Ton Capacity
3-Magor . . . 2-Clark
Diesel-Electric Locomotives—Various Sizes
Crane, Burro—5½-Ton
(1)100-Ton Whiting Drop Pit Table
Service-Tested
Freight Car Repair Parts
For All Types of Cars
Railway Tank Cars and
Storage Tanks
6,000-, 8,000- and 10,000-gallon
Cleaned and Tested

IRON & STEEL PRODUCTS, INC.

"ANYTHING containing IRON or STEEL"

General 13486 So. Brainerd Ave.
Office Chicago 33, Illinois
Phone: Mitchell 6-1212

Room 1608, 51C East 42nd St.
New York New York 17, New York
Office Phone: YUkon 6-4766

SALE OR RENT

45 Ton G. E. D. E. Loco. 300
H.P. Cooper-Bessemer Engine
65 Ton Porter D. E. Loco. 400
H.P. Cummins Super-Charged
Engines

B. M. WEISS COMPANY
Girard Trust Bldg.
Philadelphia 2, Pa.

WANTED

Graduate Electrical Engineer, previous railroad experience mandatory, age 30-40, for supervision diesel, electrical and air conditioning work, southwestern railroad. Furnish full qualifications. Box 953, RAILWAY AGE, 30 Church Street, New York 7, N.Y.

KEEP BUYING U.S. BONDS

Robert W. Hunt Company ENGINEERS

Inspection—Tests—Consultation
All Railway Equipment
General Office:
810 S. Clinton Street
CHICAGO 7
All Principal Cities

FROG AND SWITCH MANUFACTURER

Needs an office man for frog, switch and forge plant capable of estimating jobs, keep cost and time records. Engineering and accounting aptitude. Airmail reply giving particulars about yourself such as training, schooling, experience and last three employers, marital status, age and salary expected. Attention Mr. L. L. S. Nelson, Nelson Iron Works, Inc., 45 Spokane Street, Seattle 4, Washington.

Advertisers' Index

Alco Products, Inc.	28, 29
Alton & Southern RR	40
Automatic Electric Sales Corp.	14, 15
Bethlehem Steel Company	3
Cardwell-Westinghouse Company	25
Classified Advertisements	53
Electro-Motive Division of General Motors	22, 23
General Chemical Division Allied Chemical Corp. Back Cover	
General Steel Castings Corp.	11
Gould-National Batteries, Inc.	35
Greenville Steel Car Company	31
Hennessy Lubricator Company	44
Hunt Company, Robert W.	53
International Car Corporation	42
Iron & Steel Products, Inc.	53
Linde Company	26, 27
Magnus Metal Corporation	8
Nelson Iron Works, Inc.	53
Norfolk & Western Railway	Inside Front Cover
Ortlip Company, Harry F.	41
Simmons-Boardman Publishing Corp.	40, 41
Spring Packing Corporation	6
Teletype Corporation	43
Division of Western Electric	
Timken Roller Bearing Company, The	36, 37
Thrall Car Manufacturing Company	Inside Back Cover
Tucker Manufacturing Company	51
Union Pacific Railroad	34
Weiss Company, B. M.	53
Wheels, Inc.	33

Unplanned Obsolescence

To protect the nation against its rivals and its enemies, industrial plant and machinery has to be kept up-to-date—no two ways about it. Thus it is that obsolescence must be the No. 1 concern of industry—and of the nation itself. But the situation the railroads are up against in this area is a lot more acute and dangerous than that of any other American industry, for several reasons—among them:

- Railroads are kept from putting their best foot foremost in modernization by the fact that their facilities, being privately owned, are heavily burdened with property taxes (often at higher rates than other property)—whereas the enormously greater investment in highways, waterways, and airports, being public property, is not taxed at all.

- Many railroads are earning so little net income that even the effect of the remedy most often proposed for correcting obsolescence (i.e., more rapid depreciation) would be, by itself, insufficient to solve the entire problem for the railroads.

- The principal rivals of the railroads—highway, waterway, air transportation—are provided billions and billions of ultra-modern fixed plant, at the taxpayers' expense. Unlike railroads and other industry, these favored kinds of transportation have no problem whatsoever of keeping their plant modern. As the Doyle report to the Senate Committee on Interstate Commerce has pointed out, railroads were able to spend only \$250 million on fixed plant in 1959. In the same year the federal government alone laid out 90 times that amount (almost \$23 billion) on improving and maintaining facilities for railroad competitors. Such lavish public expenditures in behalf of rival agencies of transportation naturally make private investors reluctant to invest in railway plant.

For such reasons as these, railroads are able to provide themselves with only a small part of the facilities that technology has made available to them—while the sky's the limit in providing similar facilities for other kinds of transportation. Drive along a 1960-model superhighway and put a date on the railway facilities you see alongside. Some such railroad plant is modern, of course—but a lot of it dates back to the twenties or earlier.

The most perceptive of all governmental analyses of transportation policy ("Rationale of National Transportation Policy," a Commerce Department pamphlet by E. W. Williams and David Bluestone) makes this observation:

"We have pushed investment in certain forms of transport beyond the limitations which economics would dictate, while restraining investment in others, even where a comparative advantage is indicated. . . . Where three systems of transport make predominant use of public facilities while two others [railroads and pipelines] are almost wholly nourished by private investment, a tendency develops to exaggerate the true economic worth of those which rely on public facilities.

"If the government bears part of the costs of carriers which use government-furnished facilities, these carriers can offer relatively low rates and attract traffic which otherwise would move by other transport modes.

"The shortage of capital and the obsolescence which has grown into the plant as a result is the major tragedy of the railroad system.

"A railroad built to the standards attainable today for the handling of a heavy flow of traffic could achieve large economies by comparison with lines now in existence. It is important that the railroad system be upgraded toward such standards as rapidly as possible."

The public interest in a prompt and thoroughgoing correction of this chaotic imbalance in plant investment in transportation is clearly set forth in the same pamphlet, as follows:

"There's no great room for doubt that, were all traffic distributed in accordance with the true comparative advantage of the several forms of transport, the annual transport bill would be reduced by several billions of dollars in freight alone."

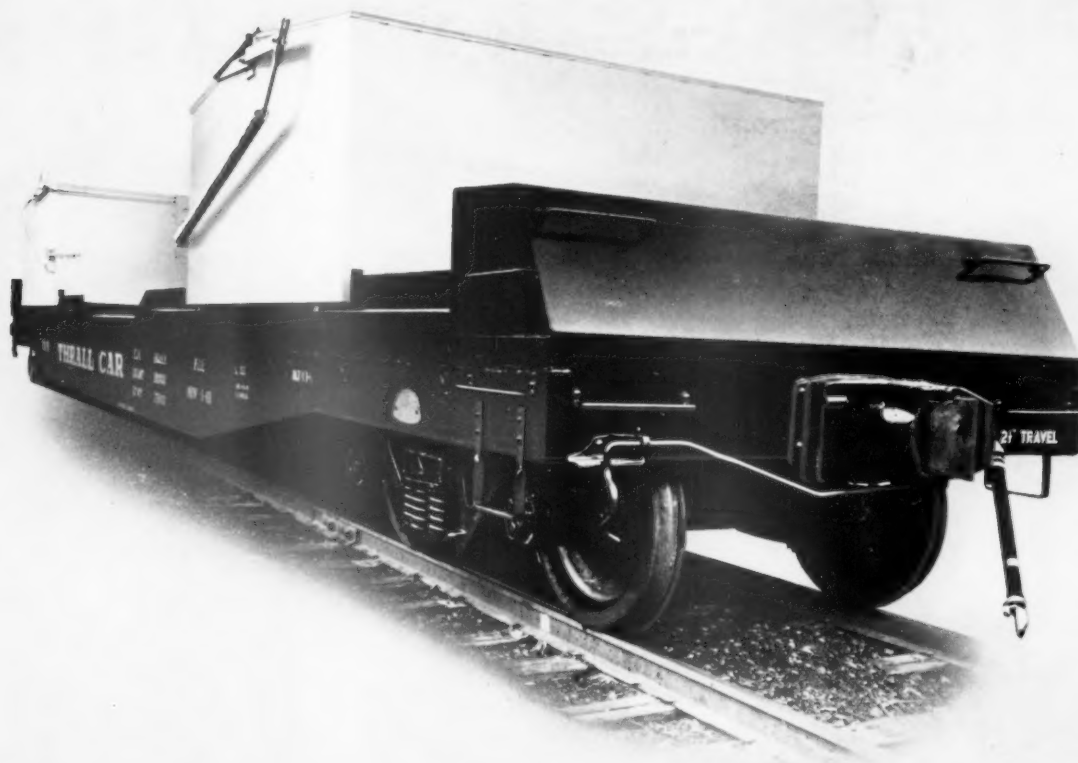
SO WHAT DO WE DO NOW? Get general recognition of the fact (and its national importance) that economically unbalanced investment in the several forms of transportation is the basic characteristic of today's transportation chaos. This transportation chaos should be shown up for what it is—one of the main obstacles that is holding America back in its competition with nations that are its economic rivals and enemies.

No program for improvement of transportation conditions can be anything but an illusion unless it leads to a vast increase in outlays for renewal and improvement of railroad plant. Getting this situation understood is a responsibility, not alone of railroad management, but equally so of government, of shippers, of railroad suppliers and of railroad labor.

*Designed for convenient
loading and unloading
by either fork-lift truck,
or overhead crane*

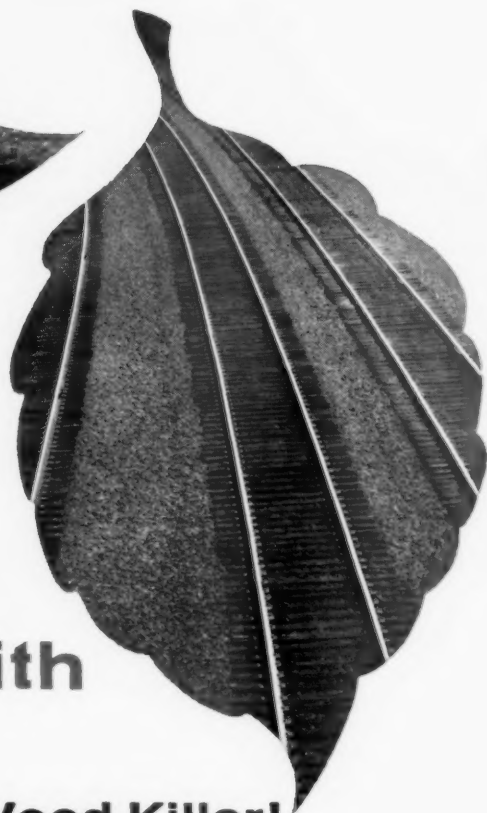
...here is the most perfect
combination of loading,
unloading, capacity and
protection yet devised
for coil
tin plate

THRALL



THRALL CAR MANUFACTURING CO.
2602 WALLACE STREET, CHICAGO HEIGHTS, ILLINOIS

**90 TON
COIL TIN PLATE
FLAT CAR**



Get Spring- through-Fall weed control with **UROX[®]** Liquid Weed Killer!

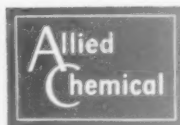
... as long as 8 to 18 months control after a single application!

Here's a weed killer that knocks out weeds and brush from Spring right through Fall ... up to 18 months! It's UROX liquid oil concentrate — first liquid substituted-urea-type herbicide for railroad use.

Field-proved since 1956, UROX Liquid Weed Killer offers you all these advantages:

- **UROX Liquid Weed Killer kills fast** ... you can see weeds wilt and start to die within 12 hours, regardless of weather.
- **UROX Liquid Weed Killer handles easier** ... ideal for railroad spray trains. Won't clog strainers and nozzles ... mixes with fuel, diesel, or ordinary weed oils.
- **UROX Weed Killer lasts longer** ... because it builds up in soils. You use small "booster" treatments in subsequent years.
- **UROX Weed Killer saves you money** ... cumulative effectiveness means cumulative savings through the years.

Get the complete story now on money-saving, labor-saving UROX Weed Killers. Just mail coupon.



GENERAL CHEMICAL DIVISION

40 Rector Street, New York 6, N. Y.

For tough, deep-rooted brush and weed-trees, use URAB*—the powerful new herbicide with unique soil-penetrating action! **Because it goes straight down**, URAB herbicide kills troublesome deep roots other herbicides miss. Available in both liquid and granular forms.

For weed control around yards, terminals, depots, etc., use UROX Weed Killer in dry, granular form. UROX Granular Weed Killer can be applied with ordinary mechanical or hand-operated spreaders.

*Trademark of Allied Chemical Corporation

Weed Killer Department

GENERAL CHEMICAL DIVISION

RA-31

Allied Chemical Corporation
40 Rector Street, New York 6, N. Y.

- ☐ Please send free copy of new folder on railroad weed control.
- ☐ Please have representative phone for appointment.

Name _____

Title _____

Railroad _____

Address _____

City _____ Zone _____ State _____

